Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:	**ORDER TO SHOW CAUSE**
KENSINGTON HOLDINGS, LLC, **FULL MOON CAPITAL, LLC,** **ALAN WAYNE STREBECK,** **CRD# 2994311**	**Docket No.** 10-11-0030 **Docket No.** 10-11-0021 **Docket No.** 10-11-0022

It appears to the Director of the Utah Division of Securities (Director) that Kensington Holdings, LLC, Full Moon Capital, LLC, and Alan Wayne Strebeck have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over Respondents and the subject matter is appropriate because the Division alleges that they violated § 61-1-1 (securities fraud) of the Act while engaged in the offer and sale of securities in or from Utah.

STATEMENT OF FACTS

THE RESPONDENTS

2. Kensington Holdings, LLC (Kensington) is a Nevada limited liability company, registered on October 20, 2005. Synergy Group, Inc.[1] is the managing member of Kensington. Kensington's status as a business entity is revoked. Kensington has never been licensed by the Division as a broker/dealer agent or as an issuer/agent to sell securities in the State of Utah.

3. Full Moon Capital, LLC (Full Moon Capital) is a Nevada limited liability company, registered on January 26, 2006. Alan Strebeck is the managing member. Full Moon Capital's status as a business entity is default. Full Moon Capital has never been licensed by the Division as a broker/dealer agent or as an issuer/agent to sell securities in the State of Utah.

4. Alan Wayne Strebeck (Strebeck) was, at all relevant times, a resident of the State of Utah. Strebeck was, at all relevant times, not licensed as a broker/dealer, agent, or as an investment adviser representative in Utah.[2]

GENERAL ALLEGATIONS

5. From September 2008 to November 2009, Respondents offered and sold securities to a group

---

[1] Strebeck's Synergy Group, Inc. is a Nevada corporation registered on April 2, 1999. Alan Strebeck is the manager and registered agent.

[2] In 1998, Strebeck passed the Series 6, 26, and 63 exams; however, Strebeck has not been affiliated with a firm

of investors, in or from Utah, and collected a total of $1,442,300.

6. Strebeck made material misstatements and omissions in connection with the offer and sale of securities to the investors below.

7. The investors lost approximately $1,442,300 of their investment funds.

INVESTOR R.S.

8. In January or February 2008, R.S. met Strebeck at a land associations meeting in Washington County, Utah. Both Strebeck and R.S. volunteered to work at a burn pile in August 2008 at which time they first discussed investment opportunities in Kensington.

9. Strebeck told R.S. that he managed investments for a living. R.S. told Strebeck that his daughter inherited $100,000 from her grandfather and was looking to invest it.

10. During the conversation, Strebeck made the following statements about a potential investment in Kensington:

    a. He normally did not accept investments as small as $100,000, but he was willing to "help" them by making an exception in their case;

    b. He had many wealthy investors who had invested millions into the same program and were very satisfied with their investments; and

    c. R.S. would receive 1% per month or 12% per annum and the interest could roll over;

11. In August or September 2008, Strebeck came to R.S.'s home in Washington County, Utah to

---

since 2005.

discuss the investment program in Kensington.

12. During the meeting, Strebeck made the following statements about a potential investment in Kensington:

    a. Kensington provided bridge loans for large scale real estate deals usually for twelve to eighteen months;

    b. If R.S. invested in Kensington, his funds would be used in connection with various short-term real estate loans;

    c. He earned 18% per annum on the funds he lent out and he was happy to give R.S. 12%;

    d. The investment would be secured;

    e. He would safely return 12% per annum on R.S.'s investment principal;

    f. He was in first position on all of his deals;

    g. The investment was very secure because he never lent more than 40% of the value of the land.

13. Based on Strebeck's statements, R.S. invested $100,000 in Kensington.

14. On September 19, 2008, Strebeck visited R.S.'s home in Washington County, Utah and R.S. gave Strebeck a personal check from Wells Fargo Bank for $100,000 made payable to Kensington Holdings. LLC.

15. In exchange for the investment funds, R.S. received a promissory note from Kensington.

16. In November 2009, R.S. gave Strebeck notice that he wanted his investment funds returned.

17. R.S. has not received any payments from Kensington and is still owed $100,000 in principal alone.

18. Bank records show that much of R.S.'s funds were used to pay Strebeck's previous investors, utilities, groceries, insurance premiums, tax payments, and other personal expenses.

INVESTORS S.B., R.B., AND V.B. (WIFE, HUSBAND, AND DAUGHTER)

19. S.B. met Strebeck in August 2008. From August 2008 to February 2009, S.B. had at least ten telephone conversations with Strebeck about a possible investment in Kensington. Strebeck was in Utah during the telephone calls and made most of them from his home in Washington County, Utah.

20. S.B. told Strebeck that she, her husband, and her daughter all were interested in investing. S.B.'s husband, R.B., was involved in a few of the telephone conversations.

21. During the conversations Strebeck made the following statements about a potential investment in Kensington:

    a. He was involved in real estate investing – buying and selling buildings;

    b. He had been in this kind of business for over twenty years;

    c. He had been able to get more than a 10% return for his investors every year for the last ten years:

    d. There was virtually no risk involved in the investment;

e. S.B., R.B. and V.B. would receive 13% per annum on their investments;

f. Previous investors were happy with their returns.

22. S.B. told Strebeck that she wanted to invest her 401k, that R.B. wanted to invest his IRA, and that her daughter, V.B., wanted to invest her college fund.

23. S.B. told Strebeck that she only wanted to invest half of her 401k, but Strebeck said that she would only get the 13% interest rate if she invested all of it.

24. Strebeck told S.B. about Equity Trust Company, a company that would allow S.B., R.B., and V.B. to open a self-directed IRA for investment purposes.

25. In early 2009, S.B., R.B., and V.B. opened IRA accounts with Equity Trust Company.

26. Based on Strebeck's statements, S.B., R.B. and V.B. invested $146,300 in Kensington.

27. On February 3, 2009, S.B. transferred $98,000 from her Equity Trust Company account to Kensington's bank account in Washington County, Utah.

28. R.B. transferred $38,500 from his Equity Trust Company account to Kensington's bank account.

29. V.B. transferred $9,800 from her Equity Trust Company account to Kensington's bank account.

30. In exchange for the investment funds, S.B., R.B., and V.B. received promissory notes from Kensington.

31. On October 30, 2009, S.B., R.B., and V.B. gave Strebeck notice that they wanted their

investment funds returned.

32. In or about November 2009, R.B. called Strebeck to inquire about the return of the investment funds. Strebeck told R.B. that S.B.'s, R.B.'s, and V.B.'s investment funds were "tied up in a gold mine in Ghana."

33. S.B., R.B., and V.B. have not received any payments from Kensington and are still owed $146,300 in principal alone.

34. Bank records show that $100,015 of the investment funds were used to purchase diamonds from Africa and much of the remaining funds were used to pay previous investors.

INVESTORS T.S. AND S.S. (HUSBAND AND WIFE)

35. Since the spring of 2003, Strebeck had been a financial advisor to T.S. and S.S.

36. In the fall of 2008, Strebeck told T.S. and S.S. that he had a diverse package of investments that were safe and that could earn them substantial returns.

37. Subsequently, T.S. and S.S. had four to six telephone conversations with Strebeck about investing with him. Strebeck made the telephone calls while in Washington County, Utah.

38. During the conversations Strebeck made the following statements about a potential investment in Kensington:

    a. He invested in commercial and residential real estate projects;

    b. He was always a first position lien holder, so investing with him is safe;

    c. He would always get an appraisal on the property beforehand;

d. He would only lend a certain percentage of the value of the property;

e. T.S. and S.S. should not invest with the crooks on Wall Street;

f. T.S. and S.S. could always get money back with thirty to sixty days notice;

g. Investing with Strebeck was safer than investing in T-Bills;

h. T-Bills were not the way to go because the government was making risky and foolish decisions with the country's finances;

i. T.S. and S.S. would earn a 13% return per annum;

j. Other investors would be linked to a specific project, but the Smith's money would be pooled into different investments;

k. He invested in short-term high interest loans to builders;

l. He invested in restaurants, Pay-Day Lenders, Pay-Roll advance lenders, and buying and selling tax deed properties;

m. He had hundreds of deals come to him each month so he could choose only the safes options;

n. For every situation or transaction that lost money there was an opportunity to make money and as a financial advisor he knew where the opportunities were;

o. He had done so much ground work that there was little to no risk in the investment;

p. IRA money could be invested through a self-directed IRA at Equity Trust Company;

q. Conservative, low risk investors, like T.S. and S.S., would only make between 10%-

13% interest per annum; and

r. Low risk investors, like T.S. and S.S. would not be entitled to know the details of how their investment funds would be used.

39. Based on Strebeck's statements, T.S. and S.S. invested $1,196,000 in Kensington.

40. On February 27, 2009, S.S. transferred $11,000 from her Equity Trust Company account to Full Moon Capital.

41. In exchange for the investment funds, S.S. received a promissory note from Full Moon Capital dated February 23, 2009.

42. On March 3, 2009, T.S. transferred $1,110,000 from his Equity Trust Company account to Full Moon Capital.

43. In exchange for the investment funds, T.S. received two promissory notes from Full Moon Capital dated February 23, 2009.

44. In or around April 2009, T.S. and S.S. learned that Strebeck had used their funds in a gold operation in Ghana, Africa.[3]

45. Strebeck told T.S. and S.S. that the gold mining in Africa was an "untapped resource," that gold mining was profitable, and that it was 40-50% cheaper to mine in Africa than in the U.S.

46. Strebeck reassured T.S. and S.S. that there was very little risk to their investment with this

---

[3] T.S. and S.S. told the Division that had they know Strebeck would use their funds for a gold operation then they

new venture and it was the "best thing [he] had going."

47. Based on Strebeck's statements, S.S. invested another $75,000 with Strebeck.

48. In August 2009, S.S. retired and placed her 401k in her Equity Trust Company account.

49. On November 19, 2009, S.S. transferred $75,000 from her Equity Trust Company account to Full Moon Capital, LLC.

50. In exchange for the investment funds, S.S. received a promissory note from Full Moon Capital dated November 18, 2009.

51. In April 2010, T.S. and S.S. asked for $50,000 of their investment funds back to help with living expenses.

52. Strebeck told T.S. and S.S. that he could not unwind the funds at that time because he was fully committed. He said that he had 70% of their funds invested in gold.

53. On July 5, 2010, S.S. sent an e-mail to Strebeck stating, "[w]e would like to put in a request to get our full investment with you back into our Equity Trust accounts as soon as this operation allows."

54. T.S. and S.S. have not received any payments from Strebeck or Full Moon Capital and are still owed $1,196,000 in principal alone.

55. Bank records show that the investment funds were used to pay diamond companies, Strebeck's other businesses, other investors, travel expenses, utilities, family members, personal accounts, mortgages, credit card bills, and other personal expenses.

---

would not have invested in the first place.

CAUSES OF ACTION

COUNT I
Securities Fraud under § 61-1-1 of the Act
(Investor R.S.)

56. The Division incorporates and re-alleges paragraphs 1 through 55.

57. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act.

58. In connection with the offer and sale of a security to the investors, Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

    a. R.S.'s funds would be used in connection with various short-term real estate loans.

59. In connection with the offer and sale of a security to the investors, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make statements made not misleading:

    a. Evidence that the investment was secure;

    b. On January 31, 1986, Strebeck signed a Consent Order with the Arizona Corporation Commission to cease and desist from selling unregistered securities as an unlicensed agent;

    c. In 2001, a consumer complaint was filed against Strebeck with the National Association of Securities Dealers, Inc. (NASD) for selling mutual funds that were not suitable for the client's needs and investment objectives;

d. Some of R.S.'s investment funds would be used to pay previous investors principal and/or interest payments;

e. Some of R.S.'s investment funds would be used for Strebeck's personal expenses;

f. Some or all of the information typically provided in an offering circular or prospectus regarding Kensington and Strebeck, such as:

i. Financial statements;

ii. Risk factors;

iii. Suitability factors for the investment;

iv. Respondents' business experience and operating history;

v. Nature of competition;

vi. Whether the investment was a registered security or exempt from registration; and

vii. Whether Respondents were licensed to sell securities.

COUNT II
Securities Fraud under § 61-1-1 of the Act
(Investors S.B., R.B., and V.B.)

60. The Division incorporates and re-alleges paragraphs 1 through 55.

61. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act.

62. In connection with the offer and sale of a security to the investors, Respondents, directly or

indirectly, made false statements, including, but not limited to, the following:

a. There was virtually no risk involved in the investment.

63. In connection with the offer and sale of a security to the investors, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make statements made not misleading:

a. On January 31, 1986, Strebeck signed a Consent Order with the Arizona Corporation Commission to cease and desist from selling unregistered securities as an unlicensed agent;

b. In 2001, a consumer complaint was filed against Strebeck with the National Association of Securities Dealers, Inc. (NASD) for selling mutual funds that were not suitable for the client's needs and investment objectives;

c. Some of R.S.'s investment funds would be used to pay previous investors principal and/or interest payments, invest in payday lending, investing in gold mining in Ghana, and investing in diamonds;

d. Some of R.S.'s investment funds would be used for Strebeck's personal expenses;

e. Some or all of the information typically provided in an offering circular or prospectus regarding Kensington and Strebeck, such as:

i. Financial statements;

ii. Risk factors;

iii. Suitability factors for the investment;

iv. Respondents' business experience and operating history;

v. Nature of competition;

vi. Whether the investment was a registered security or exempt from registration; and

vii. Whether Respondents were licensed to sell securities.

COUNT III
Securities Fraud under § 61-1-1 of the Act
(Investors T.S. and S.S.)

64. The Division incorporates and re-alleges paragraphs 1 through 55.

65. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act.

66. In connection with the offer and sale of a security to the investors, Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

a. Investing with Strebeck was safer than investing in T-Bills, when in fact, Strebeck had no reasonable basis for making such a statement;

b. He had done so much ground work that there was little to no risk involved, when in fact, Strebeck had no reasonable basis for making such a statement.

67. In connection with the offer and sale of a security to the investors, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following,

which was necessary in order to make statements made not misleading:

a. On January 31, 1986, Strebeck signed a Consent Order with the Arizona Corporation Commission to cease and desist from selling unregistered securities as an unlicensed agent;

b. In 2001, a consumer complaint was filed against Strebeck with the National Association of Securities Dealers, Inc. (NASD) for selling mutual funds that were not suitable for the client's needs and investment objectives;

c. Some of R.S.'s investment funds would be used to pay previous investors principal and/or interest payments;

d. Some of R.S.'s investment funds would be used for Strebeck's personal expenses;

e. Some or all of the information typically provided in an offering circular or prospectus regarding Full Moon Capital and Strebeck, such as:

    i. Financial statements;

    ii. Risk factors;

    iii. Suitability factors for the investment;

    iv. Respondents' business experience and operating history;

    v. Nature of competition;

    vi. Whether the investment was a registered security or exempt from registration; and

vii. Whether Respondents were licensed to sell securities.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63G-4-202, -204 through -208, and held before the Utah Division of Securities. The hearing will occur on Tuesday, June 7, 2011, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If Respondents fail to file an answer and appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63G-4-209. In lieu of default, the Division may decide to proceed with the hearing under § 63G-4-208. At the hearing, Respondents may show cause, if any they have:

a. Why Respondents should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause;

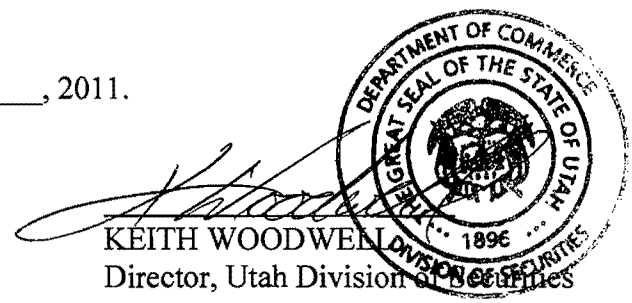
b. Why Respondents should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act;

c. Why Respondents should not be barred from (i) associating with any broker-dealer or investment adviser licensed in Utah; (ii) acting as an agent for any issuer soliciting

investor funds in Utah, and (iii) from being licensed in any capacity in the securities industry in Utah; and

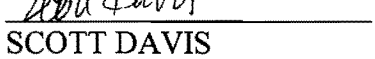
d. Why Respondents should not be ordered to pay to the Division a fine amount to be determined by stipulation or by the presiding officer after a hearing in accordance with the provisions of Utah Admin. Rule R164-31-1, which may be reduced by restitution paid to the investors.

DATED this 3rd day of May, 2011.



KEITH WOODWELL
Director, Utah Division of Securities

Approved:



SCOTT DAVIS
Assistant Attorney General
J.S.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:	**NOTICE OF AGENCY ACTION**
KENSINGTON HOLDINGS, LLC, **FULL MOON CAPITAL, LLC,** **ALAN WAYNE STREBECK,** **CRD# 2994311** **Respondents.**	**Docket No.** SD-11-0030 **Docket No.** SD-11-0031 **Docket No.** SD-11-0032

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENT:

You are hereby notified that agency action in the form of an adjudicative proceeding has been commenced against you by the Utah Division of Securities (Division). The adjudicative proceeding is to be formal and will be conducted according to statute and rule. See Utah Code Ann. §§ 63G-4-201 and 63G-4-204 through -209; see also Utah Admin. Code R151-4-101, *et seq*. The facts on which this action is based are set forth in the accompanying Order to Show Cause. The legal authority under which this formal adjudicative proceeding is to be maintained is Utah Code Ann. § 61-1-20. You may be represented by counsel or you may represent yourself in this proceeding. Utah Admin. Code R151-4-110.

You must file a written response with the Division within thirty (30) days of the mailing date

of this Notice. Your response must be in writing and signed by you or your representative. Your response must include the file number and name of the adjudicative proceeding, your version of the facts, a statement of what relief you seek, and a statement summarizing why the relief you seek should be granted. Utah Code Ann. § 63G-4-204(1). In addition, pursuant to Utah Code Ann. § 63G-4-204(3), the presiding officer requires that your response:

(a) admit or deny the allegations in each numbered paragraph of the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission. Allegations in the Order to Show Cause not specifically denied are deemed admitted;

(b) identify any additional facts or documents which you assert are relevant in light of the allegations made; and

© state in short and plain terms your defenses to each allegation in the Order to Show Cause, including affirmative defenses, that were applicable at the time of the conduct (including exemptions or exceptions contained within the Utah Uniform Securities Act).

Your response, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:

Administrative Court Clerk
c/o Julie Price
Utah Division of Securities
160 E. 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600

A copy to:

D. Scott Davis
Assistant Attorney General
Utah Division of Securities
160 East 300 South, 5th Floor
Salt Lake City, UT 84114-0872
(801) 366-0358

An initial hearing in this matter is set for **June 7, 2011** at the Division of Securities, 2nd Floor, 160 E. 300 S., Salt Lake City, Utah, at **9:00 A.M.** The purpose of the initial hearing is to enter a scheduling order addressing discovery, disclosure, and other deadlines, including pre-hearing motions, and to set a hearing date to adjudicate the matter alleged in the Order to Show Cause.

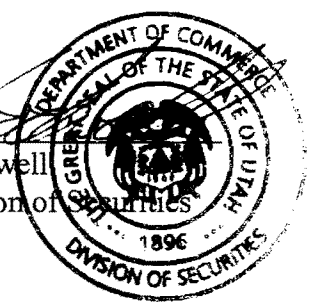
If you fail to file a response, as described above, or fail to appear at any hearing that is set, the presiding officer may enter a default order against you without any further notice. Utah Code Ann. § 63G-4-209; Utah Admin. Code R151-4-710(2). After issuing the default order, the presiding officer may grant the relief sought against you in the Order to Show Cause, and will conduct any further proceedings necessary to complete the adjudicative proceeding without your participation and will determine all issues in the proceeding. Utah Code Ann. § 63G-4-209(4). In the alternative, the Division may proceed with a hearing under § 63G-4-208.

The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6648. This adjudicative proceeding will be heard by Mr. Eklund and the Utah Securities Commission. You may appear and be heard and present evidence on your behalf at any such hearings.

You may attempt to negotiate a settlement of the matter without filing a response or proceeding to hearing. To do so, please contact the Utah Attorney General's Office. Questions regarding the Order to Show Cause should be directed to D. Scott Davis, Assistant Attorney General, 160 E. 300 South, 5th Floor, Box 140872, Salt Lake City, UT 84114-0872, Tel. No. (801) 366-0358.

Dated this 3rd day of May, 2011

Keith M. Woodwell
Director, Division of Securities



Certificate of Mailing

I certify that on the 3rd day of May, 2011, I mailed, by certified mail, a true and correct copy of the Notice of Agency Action and Order to Show Cause to:

Alan Wayne Strebeck
c/o Attorney Brett Tolman
Ray Quinney
36 S. State St. #1400
Salt Lake City, UT 84111

Certified Mail # 7007 0220 0001 0003 5243

Executive Secretary