Division of Securities
Utah Department of Commerce
160 East 300 South
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: TYLER D. ARCHULETA and **DANIELLE L. ARCHULETA,** d.b.a. ARCHULETA TRUCKING, L.L.C. Respondents.	**STIPULATION AND CONSENT ORDER** Docket No. SD-12-0019 **Docket No. SD-12-0020**

The Utah Division of Securities (the Division), by and through its Director of Enforcement, Thomas Brady, and Danielle L. Archuleta, hereby stipulate and agree as follows:

1. Danielle L. Archuleta (Danielle) and Tyler D. Archuleta, doing business as Archuleta Trucking, L.L.C.[1] (collectively, Respondents), were the subject of an investigation conducted by the Division into allegations that they violated certain provisions of the Utah Uniform Securities Act (the Act), Utah Code Ann. § 61-1-1, *et seq.*, as amended.

1 Archuleta Trucking, L.L.C. was a Utah-based limited liability company that registered with the Division of Corporations on December 16, 2004. That registration expired on July 30, 2008 when the entity dissolved. During its existence, Tyler D. Archuleta served as manager, and Danielle L. Archuleta served as registered agent.

2. In connection with that investigation, the Division issued an Order to Show Cause against Respondents on March 22, 2012, alleging securities fraud.

3. Danielle waives any right to a hearing to challenge the Division's evidence and present evidence on her behalf. Danielle understands that by waiving a hearing, she is waiving the requirement that the Division prove the allegations against her by a preponderance of evidence, waiving her right to confront and cross-examine witnesses who may testify against her, to call witnesses on her own behalf, and any and all rights to appeal the findings, conclusions and sanctions set forth in this Stipulation and Consent Order.

4. Danielle understands that she has a right to be represented by counsel, and she voluntarily and knowingly waives the right to have counsel represent her in this matter.

5. Danielle acknowledges that this Stipulation and Consent Order does not affect any enforcement action that might be brought by a criminal prosecutor or any other local, state, or federal enforcement authority.

6. Danielle admits the jurisdiction of the Division over her and over the subject matter of this action.

I. THE DIVISION'S FINDINGS OF FACT

THE RESPONDENTS

7. Tyler D. Archuleta (Tyler) was, at all relevant times, a resident of the State of Utah. Tyler has never been licensed in the securities industry in any capacity.

8. Danielle L. Archuleta (Danielle) was, at all relevant times, a resident of the State of Utah. Danielle has never been licensed in the securities industry in any capacity.

GENERAL ALLEGATIONS

9. Between June 2007 to August 2007, Respondents offered and sold an investment contract to an investor, in or from Utah, and collected a total of $300,000.

10. Investment contracts are securities under the Act.

11. Respondents made material misstatements and omissions in connection with the offer and sale of securities to the investor identified below.

12. The investor lost $205,000 of her principal.

INVESTOR M.E.

13. During the relevant time period, Tyler and Danielle were neighbors with investor M.E.

14. On or around June 11, 2007, Tyler and M.E. travelled to Diamond Rental in Kearns, Utah to rent landscaping equipment for M.E.'s yard. During that trip, M.E. overheard Tyler discussing his trucking business on the telephone. When he finished his call, Tyler told M.E. that he no longer has to drive long-haul trucks. Instead, he owns 250 semi-trucks and has employees working for him.

15. Several days later, M.E. went to Tyler and Danielle's house to inquire about investing in the trucking business. At that time, Tyler and Danielle made the following statements to M.E.:

    a. M.E. could purchase a semi-truck with two trailers for $300,000 and hire a driver;

    b. It would cost M.E. approximately $2,000 per month to cover the cost of insurance and compensate Danielle for scheduling employees and coordinating shipments;

    c. M.E. would be responsible for covering the cost of the driver; and

d. Each semi-truck makes around $600 per day.

16. M.E. informed Tyler and Danielle that she was not interested in buying a semi-truck. As an alternative, Tyler and Danielle made the following statements:

a. M.E. could invest $300,000 in Respondents' business, Archuleta Trucking; and

b. Respondents would pay M.E. $30,000 per month for twelve months, thereby returning M.E.'s principal while providing a twenty percent profit. In total, M.E. would receive $360,000 over the stated time period.

17. On July 24, 2007, after having decided to invest in Respondents' company, M.E. entered into a contract with Tyler and Danielle. Specifically, all three individuals signed and notarized the one page document that memorialized their arrangement. M.E. then provided Respondents with a $270,000 Bank of America cashier's check, dated July 23, 2007, made payable to Archuleta Trucking.

18. Among other things, the contract between the parties included the following statements:

a. "If there should be a failure that causes Archuleta Trucking, L.L.C. not to be able to return the investment to [M.E.], then Archuleta Trucking, L.L.C. will proceed to liquidate company assets to satisfy Archuleta Trucking L.L.C.'s obligation to repay the investment monies owed to [M.E.]."

b. "The investor will remain a silent partner, but will be informed and updated on a quarterly basis with regard to the current status of the investment."

19. Two to three days later, Danielle called M.E. to remind her that she still owed Respondents $30,000. M.E. then delivered to Respondents' home a $2,000 First Utah

Bank personal check and a $28,000 Bank of America cashier's check, dated August 2, 2007, made payable to Archuleta Trucking.

20. M.E. anticipated her first payment under the contract on August 24, 2007. When she did not receive that payment, she called the Respondents' house. When no one answered the telephone, she went to the house, and Tyler told her that she would not receive a payment for sixty days.

21. M.E. later received the following payments from Respondents for her investment:

    a. September 5, 2007: $15,000 check signed by Danielle

    b. October 4, 2007: $15,000 deposit from Archuleta Trucking

    c. October 11, 2007: $15,000 deposit from Archuleta Trucking

    d. November 8, 2007: $15,000 deposit from Archuleta Trucking

    e. November 21, 2007: $15,000 deposit from Archuleta Trucking

    f. December 6, 2007: $15,000 deposit from Archuleta Trucking

    g. March 28, 2008: $5,000 deposit from Archuleta Trucking

22. In total, the check and deposits equaled $95,000, leaving $205,000 of her principal unpaid.

23. As noted above, M.E. received the final payment from Respondents on March 28, 2008. After that time, Respondents provided a number of reasons explaining why they were delayed in making payments to M.E.; however, they did promise to make additional payments on certain dates in the future. Those promises were never fulfilled.

SECURITIES FRAUD UNDER § 61-1-1 OF THE ACT

24. The Division incorporates and re-alleges paragraphs 1 through 23.

25. The investment opportunity offered and sold by Respondents is a security under § 61-1-13 of the Act.

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

    a. Tyler owned 250 semi-trucks, when in fact Tyler owned twenty-five trucks and trailer units;

27. In connection with the offer and sale of the security to the investor, 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. Wallwork Financial Corp. had an interest in the assets of Archuleta Trucking, and a UCC-1 Filing was in effect from April 6, 2006 until April 6, 2011;

    b. From 1990 to 1999, Tyler had several civil judgments against him, totaling $6087.33;

    c. In 1995, Tyler filed for Chapter 7 bankruptcy relief in the United States Bankruptcy Court for the District of Utah;[2] and

    d. Some or all of the information typically provided in an offering circular or prospectus regarding Archuleta Trucking, Tyler, and Danielle such as:

        i. Financial statements;

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2 *In re Archuleta,* Case No. 95-21654 (Bankr. D. Utah 1995).

ii. Risk factors;

iii. The number of investors;

iv. Suitability factors for the investment;

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

vi. Whether Respondents were licensed to sell securities.

II. THE DIVISION'S CONCLUSIONS OF LAW

28. Based on the Division's investigative findings, the Division concludes that:

a. The investment opportunity offered and sold by Respondents is a security under § 61-1-13 of the Act;

b. Respondents violated § 61-1-1(2) of the Act by making misrepresentations of material fact and omitting to state material facts in connection with the offer and sale of a security, disclosure of which was necessary in order to make representations made not misleading.

III. REMEDIAL ACTIONS/SANCTIONS

29. Danielle neither admits nor denies the Division's findings of fact and conclusions of law and consents to the sanctions below being imposed by the Division.

30. Danielle agrees to the imposition of a cease and desist order, prohibiting her from any conduct that violates the Act.

31. Danielle agrees that she will be barred from (i) associating[3] 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.

32. Danielle agrees to cooperate with the Division, the State of Utah, and the Federal Government in any future investigations and/or prosecutions relevant to the matter herein.

33. Pursuant to § 61-1-20(1)(f) of the Act and in consideration of the guidelines set forth in Utah Administrative Code Rule R164-31-1, the Division imposes a fine of $500, due in full within six months of the entry of the Stipulation and Consent Order. If the Division finds that Danielle materially violates any term of this Stipulation and Consent Order, thirty days after notice and an opportunity to be heard before an administrative officer solely as to the issue of a material violation, Danielle consents to a judgment ordering the entire fine immediately due.

[3]"Associating" includes, but is not limited to, acting as an agent of, receiving compensation directly or indirectly from, or engaging in any business on behalf of a broker-dealer, agent, investment adviser, or investment adviser representative licensed in Utah. "Associating" does not include any contact with a broker-dealer, agent, investment adviser, or investment adviser representative licensed in Utah incidental to any personal relationship or business not related to the sale or promotion of securities or the giving of investment advice in the State of Utah.

IV. FINAL RESOLUTION

34. Danielle acknowledges that this Stipulation and Consent Order, upon approval by the Securities Commission, shall be the final compromise and settlement of this matter.

35. Danielle further acknowledges that if the Securities Commission does not accept the terms of the Stipulation and Consent Order, it shall be deemed null and void and without any force or effect whatsoever.

36. Danielle acknowledges that the Stipulation and Consent Order does not affect any civil or arbitration causes of action that third-parties may have against her rising in whole or in part from her actions, and that the Stipulation and Consent Order does not affect any criminal causes of action that may arise as a result of her conduct referenced herein.

37. The Stipulation and Consent Order constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect the Stipulation and Consent Order in any way.

Utah Division of Securities

Date: 9/12/12

By: Thomas A. Brady

Thomas A. Brady
Director of Enforcement

Respondent

Date: 8/30/12

By:

Danielle L. Archuleta

Approved:

D. Scott Davis

D. Scott Davis
Assistant Attorney General
A.S.

ORDER

IT IS HEREBY ORDERED THAT:

1. The Division has made a sufficient showing of Findings of Fact and Conclusions of Law to form a basis for this settlement.
2. Danielle ceases and desists from violating the Utah Uniform Securities Act.
3. Danielle agrees to be barred from the securities industry in Utah.
4. Division imposes a fine of $500.
5. Payment of the fine is due within six months of the entry of this Order.
6. If Danielle materially violates any of the terms of this Order, the full fine amount shall be imposed and become due immediately.

BY THE UTAH SECURITIES COMMISSION:

DATED this 29th day of October, 2012.

Brent Baker

Tim Bangerter

Jane Cameron

Erik Christiansen

Laura Polacheck

Certificate of Mailing

I certify that on the 1st day of October, 2012, I mailed, by regular mail, a true and correct copy of the Stipulation and Consent Order to:

DANIELLE ARCHULETA
4949 SAN PEDRO DR., N.E.
APT. 92
ALBUQUERQUE, NM 87109

Executive Secretary