

**BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS**

In the matter of:

ERIC T. BURNS

Docket No: 12E013
KSC No: 2012-5936

Respondent.

K.S.A. 17-12a412 and 17-12a604

EMERGENCY ORDER OF SUMMARY SUSPENSION

The above-entitled matter comes for consideration by the Securities Commissioner of Kansas. Pursuant to K.S.A. 17-12a411(d) and 17-12a604, staff for the Office of the Securities Commissioner has conducted an investigation to determine whether the Respondent has violated the Kansas Uniform Securities Act, K.S.A. 17-12a101, *et seq.* Having been apprised of the facts revealed in that investigation, the Commissioner finds as follows:

Allegations of Fact:

1. Respondent Eric T. Burns (CRD #2318367) is an individual with a last known address of [REDACTED]. From November 5, 2007 through March 7, 2011, the Respondent was a registered investment adviser representative with Dimensions Financial Group, Inc., (CRD #107686). Respondent was terminated from the firm.

2. On August 5, 2011, the Respondent became registered as an investment adviser representative under Morgan Stanley Smith Barney. On October 20, 2011, according to the Central Registration Depository (CRD), Respondent was terminated from Morgan Stanley Smith Barney, "in connection with an inquiry from Kansas Securities

Commission, the Financial Advisor failed to provide information to the firm relating to the Commission's inquiry.”

3. On September 16, 2011, the Office of the Kansas Securities Commissioner received a complaint alleging misappropriation of client funds by Respondent while at Dimensions Financial Group, Inc. and Morgan Stanley Smith Barney.

4. The same day, the Assistant Director of Compliance, Randy Mullikin, called Respondent's cell phone and left a message asking Respondent to call back. The Respondent returned the call and agreed to talk to Mr. Mullikin on Tuesday, September 20, 2011.

5. On September 20, 2011, Respondent called Mr. Mullikin to advise him that he wanted to speak with an attorney prior to being interviewed. The Respondent never contacted Mr. Mullikin to reschedule the interview.

6. On October 13, 2011, Mr. Mullikin issued a letter to Respondent requesting that he provide a written statement regarding the allegations of misappropriation. The written request was done pursuant to K.S.A. 17-12a602 and the response was requested by October 20, 2011. The request letter was emailed to Jonathan Robbins, Executive Director of the Legal and Compliance Division of Morgan Stanley Smith Barney, with a request to forward the letter to the Respondent.

7. Mr. Robbins responded to Mr. Mullikin by email, the same day, that he had forwarded the request to the Respondent's attorney, Richard Ney of Ney & Adams law office in Wichita.

8. On October 18, 2011, Mr. Mullikin spoke by telephone with Mr. Ney regarding the request for information from the Respondent. Mr. Ney confirmed that he

represented the Respondent and that he had received the letter from Mr. Robbins. Mr. Ney stated that he had advised Respondent to not answer the questions in the letter. The Respondent has not responded to the questions in regards to the misappropriation complaint.

Conclusions of Law

1. Respondent Burns has failed willfully and without cause failed to comply with a request for information by the administrator or person designated by the administrator in conducting investigations or examinations, in violation of K.S.A. 17-12a412(d)(8).

2. Action is appropriate under K.S.A. 17-12a412(f) to summarily suspend the registration of Respondent Burns and such an order is in the public interest because sufficient evidence exists to conclude that the Respondent has engaged in and is continuing to engage in acts or practices constituting serious violations of the Kansas Uniform Securities Act.

Order

IT IS, THEREFORE, ORDERED by the Commissioner that the registration of Respondent Eric T. Burns [CRD # 2318367] as an investment adviser representative is hereby SUSPENDED pending the final determination of this proceeding.

Opportunity for Hearing

Pursuant to K.S.A. 17-12a412(f), the Commissioner may use summary or emergency proceedings to suspend a registration or impose a cease and desist order on a registrant before final determination of an administrative proceeding. If the Respondent wishes to contest the issuance of this order, then the Respondent must file a request for

hearing. The request for hearing must be in the manner and form prescribed by K.A.R. 81-11-5, and it must be filed with the Office of the Securities Commissioner, 109 SW 9th St., Suite 600, Topeka, KS 66612. The request for hearing must be verified under oath by the Respondent, and if the Respondent disputes any of the Findings of Fact or Conclusions of Law set forth above, the Respondent shall specifically deny them or they will be deemed admitted. In addition, the Respondent may offer evidence and argument to mitigate the allegations. If the allegations are properly disputed, the matter will be set for a hearing which shall be conducted in accordance with the provisions of the Kansas Administrative Procedures Act. If no request for hearing is filed within 33 days after the date of service of this order, the order will become final without further proceedings. The Office of the Securities Commissioner shall be represented in this matter by Erin M. Hoestje, Staff Attorney, 109 SW 9th St., Suite 600, Topeka, Kansas 66612, telephone (785) 296-5215.

IT IS SO ORDERED BY THE COMMISSIONER this 8th day of November, 2011.

/s/ Aaron Jack
AARON JACK
Securities Commissioner

NOTICE:

(1) Pursuant to K.S.A. 17-12a505(c), it is unlawful to alter, destroy, shred, mutilate, conceal, cover up or falsify any record with the intent to impede, obstruct or influence any investigation, and such a violation is a felony criminal offense.

(2) Pursuant to K.S.A. 2005 17-12a508(a), any intentional violation of an order issued under the Kansas Uniform Securities Act is a felony criminal offense.

(3) This decision may constitute final agency action that is subject to judicial review. The agency officer to receive service of a petition for judicial review on behalf of the Office of the Kansas Securities Commissioner is Aaron Jack, Securities Commissioner, at 109 SW 9th St., Suite 600, Topeka, Kansas, 66612.

Certificate of Service

I hereby certify that on this 9th day of November 2011, a copy of the above Emergency Order of Summary Suspension was mailed by certified mail, return receipt requested, addressed to the following:

Richard Ney
200 N. Broadway, Suite 300
Wichita, Kansas 67202

Eric T. Burns


/s/ Michelle Lancaster

Michelle Lancaster
Legal Assistant