

Form U-4 Disclosure

4. Respondent is subject to the following outstanding tax liens:
 - a. Tax lien in the amount of \$10,289.00 filed by the Internal Revenue Service on or about November 3, 2010;
 - b. Tax lien in the amount of \$9,600.00 filed by the Internal Revenue Service on or about November 3, 2010.
5. The tax liens listed in Paragraph 4 above were not disclosed on Respondents Form U-4 until April, 26, 2011.
6. Respondent is subject to the following civil judgments:
 - a. Civil Judgment in the amount of \$10,132.00 granted in favor of TBF Financial on or about April 19, 2006;
 - b. Civil judgment in the amount of \$12,979.00 granted in favor of Capital One on or about December 1, 2009.
7. The civil judgments listed in Paragraph 6 were not disclosed on Respondent's Form U-4 until April 26, 2011.
8. A complaint was filed against Respondent by [REDACTED] on April 1, 2009, and was settled for \$5,230.81 on November 26, 2009. Said complaint was paid entirely by Respondent.
9. The complaint listed in Paragraph 8 was not properly disclosed on Respondent's Form U-4 until July 25, 2011.
10. Respondent is subject to an outstanding tax lien in the amount of \$47,966.00. Said tax lien was filed by the Internal Revenue Service on or about August 21, 2009.
11. The tax lien referenced in Paragraph 10 is not currently disclosed, and has never been disclosed, on Respondent's Form U-4.

12. Respondent is subject to an outstanding tax warrant in the amount of \$5,395.00.

Said tax warrant was filed by the Kansas Department of Revenue on or about June 20, 2011.

13. The tax warrant referenced in Paragraph 12 is not currently disclosed, and has never been disclosed, on Respondent's Form U-4.

14. Respondent is subject to the following foreclosures:

- a. Foreclosure on a residential lot in Wichita, Kansas on or about December 23, 2008;
- b. Foreclosure on a single family residence in Wichita, Kansas on or about September 29, 2009.

15. The foreclosures referenced in Paragraph 14 are not currently disclosed, and has never been disclosed, on Respondent's Form U-4.

General Standard of Conduct

16. On or about October 27, 2009 and October 25, 2010, Respondent answered "yes" to the following questions, or significantly similar questions, on the Annual Compliance Questionnaire completed by Respondent and provided by SagePoint Financial (a former employer):

1. Do you understand that you are personally responsible for immediately updating your Form U4 as required by FINRA?
2. Do you understand that you must immediately inform your FLS, Legal department, Licensing and Registration, and Compliance of any of the below listed disclosure events:
 - A written customer complaint filed against you;
 - Your involvement in any legal, regulatory, or disciplinary proceedings or sanctions;
 - Criminal actions against you (including if you have been charged with a crime, have been arrested or convicted or plead guilty or nolo contendere);
 - Findings of financial, business, or professional misconduct;

- Judgments, liens, or bankruptcy proceedings against you or any business in which you have an interest;
- If you become associated in any business or financial activity with any person who is subject to a statutory disqualification under FINRA rules;
- Contact from the SEC, FINRA, or any federal or state securities or insurance authority or other regulatory or law enforcement agency;
- Additions or changes to the way I use or advertise my work locations;
- Changes in my use of DBAs and/or personal websites for conducting Firm-related business;
- Changes in my name or home or business address and/or
- Other requirements as amended by new laws and rules.

Allegations of Law

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17. Respondent is subject to two tax liens, two civil judgments, and one complaint that were not promptly disclosed on Respondent's Form U-4 , in violation of K.A.R. 81-3-1(c)(4).

18. Respondent is subject to one tax lien, one tax warrant, and two foreclosures that have never been disclosed on Respondent's Form U-4, in violation of K.A.R. 81-3-1(c)(4).

General Standard of Conduct

19. Respondent misrepresented a material fact at least two times by answering "yes" on his Annual Compliance Questionnaire to the question referenced in Paragraph 16 above. Such misrepresentations of material facts constitute a failure to observe high standards of commercial honor and just and equitable principles of trade, in violation of K.A.R. 81-3-6(c).

Respondent, wishing to obtain disposition of this matter without invoking any right to a hearing before the Securities Commissioner, or his designee, has determined not to contest the issuance of an order by the Commissioner on the basis of the above allegations.

IT IS THEREFORE STIPULATED AND AGREED by Respondent and staff for the Kansas Securities Commissioner that:

1. The Consent Order may be issued by the Kansas Securities Commissioner without further proceedings in this matter.
2. Respondent neither admits nor denies the allegations of the Commissioner's staff.
3. Respondent agrees that:
 - a. he will be publicly censured;
 - b. he will pay a fine of \$3,500.00;
 - c. complete and full payment of said fine will be delivered to the Office of the Kansas Securities Commissioner located at 109 SW 9th Street, Suite 600, Topeka Kansas, 66612 within 30 days of the date of the Consent Order; and
 - d. said fine shall be paid in the form of a cashier's check or money order made payable to the Office of the Kansas Securities Commissioner.
4. Staff for the Kansas Securities Commissioner agrees that the Allegations of Fact recited in this Stipulation for Consent Order shall not be used as the basis for any further actions by the Kansas Securities Commissioner against the Respondent.
5. Respondent hereby waives his right to a hearing before the Commissioner with respect to this matter, the issuance of the Consent Order, and the above allegations.

APPROVED BY:



Darrel Young
Respondent

7-23-12

Date

OFFICE OF THE KANSAS SECURITIES COMMISSIONER

By:



Erin M. Hoestje, #22042
Assistant Director/ Senior Staff Attorney-Compliance
Office of the Securities Commissioner
109 SW 9th St., Suite 600
Topeka, Kansas 66612
(785) 296-5215 Phone
(785) 296-5482 Fax
erin.hoestje@ksc.ks.gov
ATTORNEY FOR THE SECURITIES COMMISSIONER

9/10/12

Date