

4. On November 20, 2007, Mead signed a promissory note to pay Hearth & Home Residual, which is ██████████ business, principal of \$50,000 and interest of \$2,500. The sum was to be paid three months from the date of the promissory note for a total of \$62,500.

5. On November 21, 2007, after receiving the promissory note and under Mead's direction, ██████████ transferred \$50,000 from his Charles Schwab account into an account for Xigen, Inc. at United Bank of Kansas, located in Johnson County, Kansas.

6. Xigen, Inc. was a company owned by Brad and Linda Schuttler. According to Brad Schuttler, he purchased Xigen, Inc. in June 2000. The company then went by the name of Xigen HB. Xigen HB was a consulting firm that would hire reception staff for dentist offices. However, Xigen HB ceased consulting operations in 2005. Mr. Schuttler met Mead in 2005 through a leadership class at Landmark Education. Eventually, Mr. Schuttler became involved in NetWorth USA. Mr. Schuttler allowed Mead to use the Xigen Inc. name and business accounts in order to run his business with NetWorth USA. However, Mead never had signature authority on the accounts. Mead asked for blank checks that had Mr. Schuttler's signatures on them. Mr. Schuttler complied by giving Mead about a dozen checks. In addition to the blank checks, Schuttler made other payments and transfers at Mead's direction. He remembers making a \$50,000 transfer to "DECACS" on Mead's request. Mead told Jared Underwood ("Underwood"), Special Investigator for the Office of the Kansas Securities Commissioner, that he now owns Xigen, Inc. The company is currently in default with the State of Kansas. Mead stated he gave no value for the purchase of Xigen, Inc. and Mr. Schuttler signed over the company. Mead told Underwood he was responsible for the transactions that were run through Xigen, Inc.'s bank account.

7. Bank records indicate that [REDACTED] funds were transferred from the Xigen, Inc. account at United Bank of Kansas to PNC Bank account [REDACTED] for the benefit of an organization called DECACS International.

8. The DECACS International account belongs to DECACS International-Voices of Africa. Vanessa R. Walker and Annesah T. Rasheed have signatory authority over the account. It appears that DECACS is a non-profit parent organization for a choral and Percussion Ensemble called Voices of Africa. Underwood attempted to contact Voices of Africa and was unable to contact them.

9. Mead told Underwood that the funds from [REDACTED] were used to invest in a hedge fund run by a woman named Lisa Brown who lives in Pennsylvania. Underwood was unable to contact or locate Lisa Brown.

10. Underwood also determined that Mead had two default judgments. One in Johnson County, Kansas and one in Jackson County, Missouri.

11. Underwood also determined that Mead's chiropractic license was suspended on February 1, 2006, for failure to register with the Kansas Board of Healing Arts.

12. [REDACTED] stated that he has never heard of DECACS International or Voices of Africa and that he would not have given Mead \$50,000 to invest in either one of these groups. He was also never informed that Mead had two outstanding judgments and did not know that Mead's chiropractic license had been suspended.

Transactions of [REDACTED] [REDACTED]

13. [REDACTED] [REDACTED] ([REDACTED]) met Mead through NetWorth USA. Mead initially helped [REDACTED] and her husband find investment properties.

14. In October 2007, Mead approached [REDACTED] about making an investment in an offshore hedge fund. Mead told [REDACTED] that for a \$100,000 investment she would receive a return of \$50,000.

15. On October 15, 2007, Mead signed a promissory note promising to pay Mach II Investments, [REDACTED] business, back the principal amount of \$100,000 together with interest at a rate of 200% per annum on the unpaid balance. The sum was to be paid in \$16,666 installments for three months plus the repayment of the \$100,000 principal.

16. On October 17, 2007, [REDACTED] transferred \$60,000 from her Charles Schwab account for Mach II, LLC, to United Bank of Kansas account [REDACTED], located in Johnson County, KS, which is an account belonging to Clarissa Mead, Mead's wife. [REDACTED] also wrote a check payable to Clarissa Mead for \$40,000 on October 24, 2007. The check was also deposited into United Bank of Kansas account [REDACTED].

17. Bank records indicate that \$75,000 of [REDACTED] investment was transferred to an organization called Global Prosperity Club at Wachovia Bank, Duluth, GA. The remaining \$25,000 was used for Mead and his wife's living expenses.

18. During an interview with Mead, he stated that \$25,000 was used for a gold investment program in Africa. There is no indication that \$25,000 was transferred to any type of gold investment.

19. Mead told [REDACTED] that he lost the money in the hedge fund but that he was working on a diamond deal to get the money back. Mead refused to answer [REDACTED] questions or to give details about the hedge fund and how the funds were lost.

20. [REDACTED] additionally stated that Mead did not tell her that he would be making any money off the investment and it was her understanding that the entire \$100,000 was to be

used to invest in the hedge fund. She had never heard of Global Prosperity and states she would not have invested in Global Prosperity or invested at all if she knew the funds would be transferred there and spent on personal expenses. ██████ did not know Mead had outstanding default judgments and thought Mead was a chiropractor in good standing.

Transactions of ██████ ██████

21. ██████ ██████ (██████) met Mead through NetWorth USA. In October 2007, Mead approached ██████ about an investment. ██████ was told that Mead had a hedge fund to buy a hotel complex. For an investment of \$10,000, ██████ would earn an interest rate of 100% per annum and the sum would be paid in three months at 25% simple interest, for a total of \$12,500.

22. On November 7, 2007, Mead signed a promissory note promising to pay ██████ his principal plus \$2,500 in three months.

23. On November 19, 2007, ██████ transferred \$10,000 from his Bank of America account to United Bank of Kansas account ██████ located in Johnson County, Kansas. This account is in the name of Xigen, Inc., which Mead was using to deposit funds into.

24. Bank records indicate that of ██████ \$10,000 investment, \$4,825.60 was used to transfer funds to United Bank of Kansas account ██████ to an individual by the name of Bryant Hayward, \$2,000 was applied to buy a \$4,000 cashier's check for Mark Edmondson, and \$3,000 was used to pay Hearth and Home Residential. These are all previous investors of Mead.

25. ██████ was never told that his funds would be used to repay previous investors and he was not told that Mead had two outstanding judgments. He believed Mead's chiropractic license was in good standing.

Transactions of XXXX XXXXX

26. In December 2007, [REDACTED] [REDACTED] ([REDACTED]) was approached by Mead to make an investment of \$10,000. [REDACTED] was told that Mead was helping a woman purchase a home and that within one month [REDACTED] would receive his principal and \$1,000 of interest.

27. On December 11, 2007, Mead signed a promissory note promising to pay [REDACTED] his principal of \$10,000 plus interest of 120% per annum on the unpaid balance by January 11, 2008. [REDACTED] was to receive a total of \$11,000.

28. On December 12, 2007, [REDACTED] gave a Commerce Bank check to Mead in the amount of \$10,000. The check was deposited into the United Bank of Kansas account [REDACTED], located in Johnson County, Kansas, which belongs to Xigen, Inc. Mead used this account to make deposits and write checks to various individuals.

29. Bank records indicated that of [REDACTED] \$10,000 investment, \$7,000 was transferred to an account at Commerce Bank belonging to Ollie M. Rudolph-Thaxton, \$1,974.75 was used towards a \$2,000 check made payable to Bryant Hayward and the remaining \$1,025.25 was used for personal expenses.

30. [REDACTED] stated that he was unaware that Mead was keeping some of his funds for personal expenses. He stated that if he were aware he would not have invested because he would have questioned how someone could make a profit when using funds for living expenses. He was also not informed that Mead has two outstanding default judgments and believed Mead was in good standing as a chiropractor.

Allegations of Law

31. The real estate investments offered and sold by respondents in Kansas are securities pursuant to K.S.A. 17-12a102(28).

24. Respondent Mead made untrue statements of material fact, or omitted to state material facts necessary in order to make a statement, in the light of the circumstances under which it was made, not misleading or engaged in an act, practice or course of business which operated or would operate as a fraud or deceit upon another person, in violation of K.S.A. 17-12a501(2).

IT IS, THEREFORE, STIPULATED AND AGREED by and between Respondent Mark David Mead and the staff of the Office of the Kansas Securities Commissioner that:

1. The attached Consent Order may be issued by the Securities Commissioner of Kansas without further proceedings;

2. The attached Consent Order shall constitute neither an admission nor a denial that the allegations serving as a basis for the Consent Order are true;

3. Respondent Mark David Mead waived his right to any hearing prior to the issuance of the attached Consent Order on the basis of the allegations herein contained;

4. Respondent Mark David Mead agrees to cease and desist from violations of the Kansas Uniform Securities Act;

5. The Office of the Kansas Securities Commissioner shall take no further action regarding the violations alleged herein unless new information of a material nature that was not known and could not reasonably have been known at the time of execution of this Stipulation is discovered.

Approved:

/s/ Mark David Mead
Mark David Mead
as an individual

December 10, 2010
Date

This instrument was signed before me on this 10th day of December, 2010, by Mark David Mead as an individual.

(seal)

/s/ John P. Bennett
District Judge

/s/ David M. Magariel
David M. Magariel #21748
Attorney for Respondent

December 10, 2010
Date

Office of the Securities Commissioner of Kansas:

/s/ Erin M. Hoestje
Erin M. Hoestje #22042
Associate General Counsel

December 10, 2010
Date