

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 79338 / November 17, 2016

INVESTMENT ADVISERS ACT OF 1940
Release No. 4569 / November 17, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17685

In the Matter of

Mark D. Holt (a/ka
Mark D. Holthusen)

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
SECTION 203(f) OF THE INVESTMENT
ADVISERS ACT OF 1940, AND NOTICE
OF HEARING

ORDER OF SUSPENSION PURSUANT
TO RULE 102(e)(2) OF THE
COMMISSION'S RULES OF PRACTICE

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Mark D. Holt (“Respondent” or “Holt”). The Commission also deems it appropriate to issue an order of forthwith suspension of Respondent pursuant to Rule 102(e)(2) of the Commission’s Rules of Practice [17 C.F.R. § 201.102(e)(2)].¹

¹ Rule 102(e)(2) provides in pertinent part: Any attorney who has been suspended or disbarred by a court of the United States or of any State; . . . or any person who has been convicted of a felony or a misdemeanor involving moral turpitude shall be forthwith suspended from appearing or practicing before the Commission.” See 17 C.F.R. § 201.102(e)(2).

II.

After an investigation, The Division of Enforcement alleges that:

A. RESPONDENT

1. From August 2005 to February 2007, Holt was a registered representative of Geneos Wealth Management, Inc., a dually-registered broker-dealer and investment adviser registered with the Commission. From February 2007 to November 2013, Holt was a registered representative of Harbour Investments, Inc., a dually-registered broker-dealer and investment adviser registered with the Commission.

B. RESPONDENT'S CRIMINAL CONVICTION

1. On April 1, 2014, Holt pleaded guilty to one count of wire fraud in violation of Title 18 United States Code, Section 1343 before the United States District Court for the District of Minnesota, in United States v. Mark D. Holt, Crim. Information No. 14-CR-68. On August 14, 2014, a judgment in the criminal case was entered against Holt. He was sentenced to a prison term of 120 months followed by three years of supervised release and ordered to make restitution in the amount of \$2,940,982.75. Holt, 47 years old, is currently incarcerated at the Federal Prison Camp in Duluth, Minnesota (BOP Registry No. 17865-041).

2. The count of the criminal information to which Holt pled guilty alleged, among other things, that from in or about September 2005 through January 12, 2014, Holt defrauded his customers to obtain their property and money. In particular, Holt knowingly caused an email communication to be transmitted in interstate commerce via servers in Texas to a customer in Minnesota that would give the customer access to false account statements. Holt represented to his brokerage customers that he would invest their funds in investment vehicles such as bond funds and mutual funds. Instead, Holt misappropriated their funds by depositing customer checks into a bank account he controlled and using these funds to pay for personal and business expenses. In furtherance of his scheme, Holt lulled his customers into believing that he had purchased various investments for them by sending fraudulent Morningstar customer summaries and creating online customer accounts using Blueleaf, a web-based portal, that displayed fraudulent account balances. Additionally, Holt used misappropriated funds to make monthly payments to his customers that were intended to appear as interest or annuity payments.

C. DISBARMENT

1. Holt, was at all relevant times, an attorney licensed to practice in the State of Minnesota. On August 18, 2014, the Supreme Court of the State of Minnesota issued an order disbaring Holt from the practice of law in the State of Minnesota based on his conviction for wire fraud.

III.

In view of the foregoing, the Commission finds that:

A. Holt has been convicted of a felony within the meaning of Rule 102(e)(2) of the Commission's Rules of Practice; and

B. Holt is an attorney who has been disbarred by a State court and convicted of a felony within the meaning of Rule 102(e)(2) of the Commission's Rules of Practice.

Accordingly, IT IS ORDERED that Mark D. Holt is forthwith suspended from appearing or practicing before the Commission pursuant to Rule 102(e)(2) of the Commission's Rules of Practice.

IV.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act;

C. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act; and

D. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to bar Respondent from participating in any offering of penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock.

V.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section IV hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent Holt as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice, 17 C.F.R. § 201.360(a)(2), the Administrative Law Judge shall issue an initial decision no later than 75 days from the occurrence of one of the following events: (A) The completion of post-hearing briefing in a proceeding where the hearing has been completed; (B) Where the hearing officer has determined that no hearing is necessary, upon completion of briefing on a motion pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250; or (C) The determination by the hearing officer that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155 and no hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary