

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86805 / August 29, 2019

INVESTMENT COMPANY ACT OF 1940
Release No. 33611 / August 29, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19392

In the Matter of

HOWARD C. BURNS,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS,
PURSUANT TO SECTIONS 15(b) AND 21C
OF THE SECURITIES EXCHANGE ACT OF
1934 AND SECTION 9(b) OF THE
INVESTMENT COMPANY ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS AND A CEASE-
AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) against Howard C. Burns (“Burns” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

These proceedings arise out of Burns's participation as an unregistered broker-dealer in the offer and sale of securities of Financial Visions, Inc., and affiliated entities (collectively, "Financial Visions"). The Commission filed an emergency injunctive action on July 19, 2018, charging Financial Visions and associated individuals and entities with securities fraud. *U.S. Securities and Exchange Commission v. Rudden*, Case No. 1:18-cv-01842 (D. Colo.).

From at least mid-2014 through May 2018 (the "Relevant Period"), Burns solicited dozens of investors to purchase notes issued by Financial Visions, advised investors on the merits of the investment, and acted as a liaison between investors and Financial Visions, occasionally working with investors to establish self-directed IRA accounts that could hold Financial Visions notes. Burns received transaction-based compensation for these efforts. Throughout the Relevant Period, Burns was not registered as a broker or dealer or associated with a registered broker or dealer. By virtue of his conduct, Burns willfully violated Section 15(a)(1) of the Exchange Act.

Respondent

1. Howard C. Burns, age 74, is a resident of Aurora, Colorado. During the Relevant Period, Burns was not registered with the Commission as a broker or dealer or associated with a registered broker or dealer. Burns was previously a registered representative associated with a broker-dealer from March 1987 through April 2008.

Other Relevant Entities

2. Financial Visions, Inc., is a Colorado corporation. Until approximately July 2018, Financial Visions purported to be in the business of "life insurance assignments," which involved financing funeral and related expenses in exchange for repayment of those expenses plus a 5% fee secured by a decedent's life insurance policy. Financial Visions, Inc., has never been registered with the Commission as a broker-dealer.

Respondent Acted as an Unregistered Broker

3. During the Relevant Period, Financial Visions offered to investors unsecured notes that typically promised to pay 12% annual interest. Financial Visions used the revenue from the notes to fund its business operations, including the repayment of interest and principal on other Financial Visions notes.

¹ The findings herein are made pursuant to Respondent's Offer and are not binding on any other person or entity in this or any other proceeding.

4. Burns solicited at least 31 investors to invest over \$5.8 million in these securities offered by Financial Visions by helping identify new investors, making initial contact with them, referring them to Financial Visions' principal, providing potential investors with information about Financial Visions, discussing with investors the merits of investing in Financial Visions, acting as a liaison between investors and Financial Visions, and occasionally working with investors to establish self-directed IRA accounts that could hold Financial Visions notes.

5. As compensation for his services, Financial Visions paid Burns commissions equal to 5% of the total amount each investor invested in securities issued by Financial Visions. In total, during the Relevant Period, Burns received at least \$293,965 in transaction-based compensation from Financial Visions for his services.

Violations

6. As a result of the conduct described above, Burns willfully violated Section 15(a)(1) of the Exchange Act, which makes it unlawful for any broker or dealer to use the mails or any means or instrumentality of interstate commerce "to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security" unless such broker or dealer is registered with the Commission in accordance with Section 15(b) of the Exchange Act.

Disgorgement and Civil Penalties

7. Respondent has submitted a sworn Statement of Financial Condition dated March 18, 2019, and other evidence and has asserted his inability to pay disgorgement plus prejudgment interest or to pay a civil penalty.

Respondent's Cooperation

In determining to accept the Offer, the Commission considered cooperation afforded the Commission staff.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, pursuant to Sections 15(b) and 21C of the Exchange Act and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent cease and desist from committing or causing any violations and any future violations of Section 15(a)(1) of the Exchange Act.

B. Respondent be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization;

prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and

barred from participating in any offering of a 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.

C. Any reapplication for association by Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

D. Respondent shall, within 14 days of the entry of this Order, pay disgorgement of \$293,965.15 and prejudgment interest of \$44,502.24, but payment of such amount is waived based upon Respondent's sworn representations in his Statement of Financial Condition dated March 18, 2019, and other documents submitted to the Commission. Based upon Respondent's sworn representations in his Statement of Financial Condition and other documents submitted to the Commission, the Commission is not imposing a penalty against Respondent.

E. The Division of Enforcement ("Division") may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondent

provided accurate and complete financial information at the time such representations were made; (2) seek an order directing payment of disgorgement and pre-judgment interest; and (3) seek an order directing payment of the maximum civil penalty allowable under the law. No other issue shall be considered in connection with this petition other than whether the financial information provided by Respondent was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondent may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of disgorgement and interest should not be ordered; (3) contest the amount of disgorgement and interest to be ordered; (4) contest the imposition of the maximum penalty allowable under the law; or (5) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary