



September 9, 2013

Honorable Brenda P. Murray
Chief Administrative Law Judge
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-2557

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Salt Lake Regional Office
Securities and Exchange Commission
15 W. South Temple Street, Suite 1800
Salt Lake City, UT 84101

RE: OIP

Honorable Judge Brenda Murray and others;

Please accept this letter as my formal reply to the OIP personally delivered to me at my residence on August 31, 2013.

I initially responded to a Wells letter in June 2013 where the SEC staff has made a preliminary determination to recommend the Commission file an enforcement action against me. The proposed action would allege that I violated certain provisions of the federal securities laws, offering for sale promissory notes issued by National Note of Utah without performing any due diligence, failing to disclose to investors that National Note of Utah was no longer making payments of principal and interest and failure to be a registered securities broker.

Currently the SEC is seeking an order instituting Administrative and cease-and-desist proceedings pursuant to listed statutes.

Previously and continuing in my defense, I have listed several items in support of my innocence and why I believe the SEC should dismiss any actions against me and I wish to display those defenses below.

1. I presented to each referred investor information that was written, approved, produced and populated by National Note of Utah stating their investments were safe and guaranteed.
2. I explained to each investor that according to conversations with National Note of Utah representative Julie Palmer, all investors would receive a recorded collateral assignment as security for each investor on property in which their funds were used to purchase a promissory note.
3. I did not purposely or maliciously mislead, induce or entice any investor in which I referred to National Note of Utah. I depended on information written, approved, produced and populated by National Note of Utah stating their investments were safe and guaranteed.
4. Based on the referral from a securities broker/agent, conversations with National Note of Utah, internet searches and reviewing of their brochures and

material, I believed National Note of Utah to be a safe and guaranteed investment that provided 12% annual returns paid monthly to investors. I was misled by National Note of Utah and believe National Note of Utah misrepresented facts and acted with scienter.

5. I received a commission of 2% for referring investors to National Note of Utah but only received compensation once investor's funds were used at the closing of a real estate transaction in which a collateral assignment was filed within the county clerk's office of origination. The only other products that I was able to offer were insurance related products which did not guarantee 12% returns but did pay to me a higher commission rate. I chose a lower commission rate, rather than an insurance related product with a higher commission level, to benefit my client's interest returns.

6. I was referred to National Note of Utah by a licensed security broker/agent stating their performance for past twenty years and recommended their services to me as a referral source for investors. I depended on the advice and expertise of a duly licensed broker and his upstanding reputation and integrity when he referred me to National Note of Utah. He stated their reputation, long favorable track record of National Note of Utah and products would be advantageous for some of my clients. SEC states that I should have taken his inability to sell NN as an indication they were not a sound investment but it was presented to me and understood that NN was a guaranteed investment and NN conversations and materials stated the same. Had I known NN was a security and a security license was required, I would NEVER had referred to clients and violated any stated laws and/or regulations. I reject the SEC statements that I willingly participated in violating security laws. I was expressly informed by National Note of Utah they were SEC monitored but not SEC regulated and a securities license was not required.

7. I did personally contact National Note of Utah, spoke to its staff, reviewed their documents, including financial statements enclosed in their material and provided the same to each investor that I referred.

8. Concerning National Note of Utah, I never made any comments with knowledge of their falsity and/or with reckless disregard for their truth or falsity but I presented National Note of Utah the same way it was presented to me by its staff and materials.

9. I was not aware of National Note of Utah's business practices to conduct all or most of their business with related entities and they never shared that information with me until they began delaying or missing investor payments.

10. I never withheld information by disregard or silence to any investor that I referred to National Note of Utah.

11. My deposition shows that I acted with complete and unfailing understanding that National Note of Utah was a legitimate business complying with all local, state and federal rules and laws and was as shocked of their demise as any investor.

12. I believe National Note of Utah has harmed investors and their families, third parties who referred them to investors and the business community in whole or part. As I stated earlier and in a filing by the SEC, I fully believe National Note of Utah misrepresented facts and acted with scienter, purposely to deceive third party referrals and investors to their advantage.

13. I request the SEC and regulatory agencies demand that I obtain my securities license as a way to better serve the public with knowledge and guide others from misleading and irreparable damage to investors and the public.



To impose fines, sanctions, restrictions, limitations or disgorgement would further perpetuate National Note of Utah's harmful reach into the lives of private citizens who acted with full faith and confidence of their validity. I pray an immediate dismissal of all actions and seek to continue to cooperate fully with SEC's investigation and prosecution of National Note of Utah officers and owners.

Regards,

Richard Hicks

