

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 54515 / September 26, 2006**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12378**

**In the Matter of**

**DARIN W. ROBERTS**

**Respondent.**

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**ORDER MAKING FINDINGS  
AND IMPOSING REMEDIAL  
SANCTIONS PURSUANT TO SECTION  
15(b) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**I.**

On July 25, 2006, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings pursuant to Section 15(b) of the Securities and Exchange Act of 1934 (“Exchange Act”) against Darin W. Roberts (“Roberts” or “Respondent”).

**II.**

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, and the findings contained in Section III.B below, which are admitted, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Order”), as set forth below.

**III.**

On the basis of this Order and the Respondent’s Offer, the Commission finds that:

A. Roberts, at various times between August 2000 and November 2003, was an employee of, or independent contractor for, Branson City Limits, Inc. (“Branson City”) and Resort Hotels, Inc. (“Resort Hotels”). Branson City and Resort Hotels were privately held corporations that offered and sold securities in the form of investment contracts, which were nominally structured as hotel timeshare units. From approximately late 2001 through November 2003, Roberts was also an employee of Ozark Ticket and Travel, Inc. (“Ozark”). Ozark was responsible for the purported subleasing of the Branson City and Resort Hotels investors’

timeshare units. On behalf of Branson City, Resort Hotels, and Ozark, Roberts, among other things, recruited sales agents to offer and sell Branson City and Resort Hotels securities, instructed sales agents on the hotel timeshare investment program, distributed Branson City and Resort Hotels promotional materials to sales agents, communicated directly with prospective investors concerning the investment program, and managed the purported subleasing of the Branson City and Resort Hotel timeshare units. In addition to his salary, Roberts received transaction-based compensation in the form of a 1% to 3% commission on the sales of Branson City and Resort Hotels securities made by the sales agents he recruited. Roberts has never been registered with the Commission in any capacity. Roberts, 32 years old, is a resident of Smithfield, Utah.

B. On June 30, 2006, a final judgment was entered by consent against Roberts, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Patrick Ballinger, et al., Civil Action Number 1:03-CV-1659, in the United States District Court for the Southern District of Indiana.

C. The Commission’s complaint alleged that Roberts, and others, participated in a fraudulent and unregistered offering of securities in the form of investment contracts which were nominally structured as hotel timeshare interests. As part of the scheme, the defendants raised at least \$28 million from more than 600 investors in 30 states. The Commission’s complaint alleged that the defendants provided investors with false and misleading information concerning: (i) the use of investors’ principal; (ii) the source of investor returns; and (iii) the investors’ ability to have the full amount of their principal returned to the investors. The Commission’s complaint also alleged that Roberts acted as an unregistered broker or dealer. The complaint alleged that Roberts established a sales office and recruited sales agents to promote and sell the unregistered securities. The complaint further alleged that Roberts received a 3% commission on the sales of Branson City and Resort Hotels securities brokered by the sales agents he recruited. The complaint alleged that Roberts reviewed and distributed fraudulent written offering materials promoting the opportunity to earn “double-digit returns” on the investment. The complaint also alleged that Roberts informed sales agents that a third party would sublease the investors’ timeshares, and that these subleasing efforts would produce at least 11% annualized profits for the investors, when Roberts knew that these representations were false and misleading, and would be repeated to investors by the sales agents. The complaint further alleged that there were no meaningful attempts to sublease the investors’ timeshare units.

#### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Roberts be, and hereby is barred from association with any broker or dealer;

Any reapplication for association by the 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 the 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.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris  
Secretary