

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 75125 / June 9, 2015**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 4107 / June 9, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16582**

**In the Matter of**

**DEVON J. CARLSON,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
AND SECTION 203(f) OF THE  
INVESTMENT ADVISERS ACT OF 1940,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS**

**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 DeVon J. Carlson (“Carlson” 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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III.2 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

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

1. From March 1997 to May 2007, Carlson was associated with a registered broker-dealer and investment adviser. Carlson, age 55, is a resident of Shawnee, Kansas.

2. On October 7, 2010, Carlson pled guilty to two counts of securities fraud in violation of K.S.A. § 17-12a501(3), a felony, two counts of forgery in violation of K.S.A. § 21-3710, a felony, and two counts of theft in violation of K.S.A. § 21-3701, a felony, before the District Court, Johnson County, Kansas, in State of Kansas v. DeVon J. Carlson, Case No. 10CR1847. On February 16, 2011, a judgment in the criminal case was entered against Carlson. Carlson was sentenced to serve 32 months of incarceration and ordered to pay restitution in the amount of \$231,078.14.

3. The securities fraud counts to which Carlson pled guilty alleged that between February 2007 and May 2007, Carlson unlawfully, feloniously, and intentionally, in connection with the sale of a security, directly or indirectly, did engage in a course of business that operated as a fraud. The forgery counts to which Carlson pled guilty alleged that between November 2005 and October 2006, Carlson unlawfully and feloniously, knowingly and with intent to defraud, did make, alter, or endorse a written instrument without authority to do so. The theft counts to which Carlson plead guilty alleged that between October 2006 and January 2007, Carlson unlawfully and feloniously, with intent to deprive individuals permanently of the possession, use, or benefit of their property, did obtain unauthorized control over property with a value of at least \$1,000 but less than \$25,000.

### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act that Respondent Carlson be, and hereby is barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act that Respondent Carlson be, and hereby is 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.

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.

By the Commission.

Brent J. Fields  
Secretary