

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 76151 / October 14, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16364

In the Matter of

DAVID L. MARION,

Respondent.

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

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest to accept the Offer of Settlement submitted by David L. Marion (“Marion” or “Respondent”) pursuant to Rule 240(a) of the Rules of Practice of the Commission, 17 C.F.R. § 201.240(a), for the purpose of settlement of these proceedings initiated against Respondent on January 28, 2015, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”).

II.

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 Sections III.2 and III.4., below, and 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 Respondent’s Offer, the Commission finds that:

1. David L. Marion, age 54, is currently incarcerated at the Duluth Federal Prison Camp in Duluth, Minnesota. At one time, Marion was associated with a registered broker-dealer, but in 1991, the NASD fined him, censured him, and barred him from association with any member of the NASD in any capacity for executing transactions in accounts of customers without

their authorization. From at least November 2008 through at least July 2009, Marion engaged in the unregistered offer and sale of securities issued by Investment Rarities Holdings Inc. (“IR Holdings”). At the time Marion solicited investors to invest in IR Holdings’ securities he was neither registered with the Commission as a broker or dealer nor associated with a registered broker-dealer.

2. On June 20, 2013, a judgment was entered by consent against Marion, 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. David L. Marion, et al., Civil Action Number 1:12-CV-749, in the United States District Court for the District of Minnesota.

3. The Commission’s complaint alleged the following: From at least November 2008 through at least July 2009, Marion raised approximately \$1 million from at least 26 investors by selling ownership shares of IR Holdings. The offer and sales of IR Holdings’ securities were not registered with the Commission. Marion, personally and through others he directed, made multiple fraudulent representations in the offer and sale of securities of IR Holdings, a company that Marion owned and controlled. Marion sold ownership shares of IR Holdings to investors, telling them that IR Holdings owned 100% of International Rarities Corporation (“IR Corp.”). Marion told the investors that IR Corp. was a successful gold coin and bullion sales and trading company. He told investors that by buying a piece of IR Holdings, they would share in the profits and success of IR Corp. These representations were false. When Marion sold IR Holdings’ shares to investors, he was the sole owner of IR Corp. IR Holdings had no ownership interest in IR Corp. whatsoever. Marion sold the investors shares of a worthless shell company, and he knew that it was a worthless shell company. Marion also told the investors that IR Holdings had a functioning seven member-board of directors, including three independent directors. Marion also told the investors that he would use their money to expand IR Holdings’ business, including taking the company public. These representations were false. In reality, IR Holdings did not have a functioning board of directors, Marion diverted the investors’ funds for his own personal use, and Marion failed to take virtually any substantive action towards taking IR Holdings public. IR Holdings issued offering documents, including a Private Placement Memorandum, to investors that repeated these misrepresentations.

4. On February 21, 2013, Marion pled guilty to one count of conspiracy to commit mail and wire fraud and one count of money laundering in violation of Title 18 United States Code, Sections 1349 and 1957, respectively, before the United States District Court for the District of Minnesota, in United States v. David Laurence Marion, No. 1:12-CR-282. On August 29, 2013, a judgment in the criminal case was entered against Marion. He was sentenced to a prison term of 60 months followed by three years of supervised release and ordered to make restitution in the amount of \$3,370,748.93.

5. The counts of the criminal complaint to which Marion pled guilty alleged, inter alia, that from at least November 2008 through at least July 2009, Marion made false and fraudulent representations to investors in connection with the unregistered offer and sale of approximately \$1 million in securities to approximately 26 investors. Marion obtained money and property by

means of materially false and misleading statements at a time when he was acting as a broker but was not registered with the Commission as a broker or dealer and was not associated with an entity registered with the Commission as a broker-dealer.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Marion be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Marion 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