

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

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| IN THE MATTER OF: |) | |
| <i>RICHARD F.BESTON, an individual;</i> |) | |
| JOHN W. BRANCH, an individual; |) | |
| BRIAN PEBLEY, an individual; |) | |
| TEN X HOLDINGS, LLC, its managers, |) | File No. 1300406 |
| officers, affiliates, subsidiaries, representatives, |) | |
| successors, and assigns, and; |) | |
| RAINMAKER SECURITIES, LLC its managers, |) | |
| officers, affiliates, subsidiaries, representatives, |) | |
| successors, and assigns. |) | |

CONSENT ORDER

TO THE RESPONDENT: **Brian Pebley (CRD # 4169366)**
 4822 East State Highway 60
 Johnstown, CO 80534

WHEREAS, Brian Pebley on the 15th day of June, 2015 executed a certain Stipulation to Enter Consent Order (“the Stipulation”), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent Brian Pebley has admitted to the jurisdiction of the Secretary of State, Securities Department, and has consented to the entry of this Consent Order.

WHEREAS, by means of the stipulation, Respondent Brian Pebley acknowledges and agrees, that the Secretary of State makes the following Findings of Facts:

FACTS COMMON TO ALL COUNTS

The grounds for such proposed actions are as follows:

1. Ten X Holdings, LLC (“Ten X”) is an Illinois limited liability company which was established in May of 2004, and was established as a consulting and business holdings entity. Ten X currently was involuntary dissolved on 11/08/2013, with the State of Illinois.

2. At all relevant times, Rainmaker Securities, LLC ("RMS") was registered with the Secretary of State as a Broker-dealer in the State of Illinois Pursuant to Section 8 of the Act.
3. At all relevant times, Respondent Richard F. Beston ("Beston") an Illinois resident was listed as President of Ten X and was registered as a direct/indirect owner of RMS.
4. At all relevant times, Brian Pebley ("Pebley") a Colorado resident was an associated person of RMS and an independent contractor associated with a firm which Ten X was in negotiations to purchase.
5. On a Ten X confidential disclosure statement dated January 15, 2010, it states that Ten X was formed to acquire and develop various businesses operating in the financial services industry for the purpose of contributing and thereafter operating such businesses in one or more public companies. The disclosure statement also provides that RMS was founded in 2005 by Ten X founders as a securities broker-dealer, and that the membership interests of RMS were transferred to Ten X in the first quarter of 2008.
6. On information and belief, there were a total of seven (7) investors who invested in Respondent Ten X.

FAILURE TO DISCLOSE

7. Sometime in March 2010, Investor A invested the sum of \$165,000 in Ten X. Investor A is not an accredited investor.
8. Between December 2009 and March 2010, six other known investors invested in Ten X.
9. The offer and sale of the investment in Ten X constitutes the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et. seq.*] (the "Act").
10. Investor A was introduced to the investment by Respondent Pebley, but the promissory notes were executed by Respondent Beston on behalf of Ten X. At the time of the investment, Respondent Pebley was a registered agent of RMS. Records indicate that Respondent Pebley was associated with RMS from 1/25/2010 to 7/30/2010.
11. During the course of the Department's investigation, it was discovered that during this time period, Respondent Pebley introduced the investment opportunities in Ten X to at least three other investors.
12. Investor A received interest payments beginning in 12/2010 and ending in 4/2012. Since this time, Investor A has not received either interest payments or repayment of her initial investment.

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13. A deposition of Respondent Beston was taken by the Department in July 2014. Respondent Beston indicated that Respondent Pebley was associated with a futures trading firm which Ten X was in the process of purchasing.
14. FINRA lists Pebley as an agent of RMS from January 2010 to July 2010.
15. Respondent Pebley was to receive compensation, which was to be paid at a later date, for his efforts of introducing investors to Respondent Beston which led to investments into Ten X. However, no monetary compensation was ever paid to Respondent Pebley.
16. Respondent Pebley did not disclose to any of the investors which he introduced to Respondent Beston, before they invested in Respondent Ten X, that he was registered with Respondent RMS.
17. At that time, Respondent RMS was owned by Respondent Ten X. Therefore, the principals of Respondent RMS were the same as Respondent Ten X, raising a conflict of interest necessary to disclose to the four investors creating the omission of a material fact.
18. Section 12.G of the Act states *inter alia* that it shall be a violation of this Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
19. By virtue of the foregoing, Respondent Pebley has violated Section 12.G of the Illinois Securities Law of 1953.

WHEREAS, by means of the Stipulation, Respondent Pebley has acknowledged and agreed that the following shall be adopted as the Secretary of State's Conclusions of Law:

1. Illinois has jurisdiction over this matter pursuant to the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act");
2. Respondent Pebley acknowledges and agrees that he has violated Sections 12.G of the Act;
3. Respondent Pebley agrees not to engage or participate in the offer and sale of securities in or from the State of Illinois, and agrees not to engage in any and all investment adviser activities in the State of Illinois;
4. Respondent Pebley agrees to a permanent bar from registering as an investment adviser and/or investment adviser representative in the State of Illinois;

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5. Respondent Pebley agrees to a permanent bar from registering as a salesperson in the State of Illinois;
6. Respondent Pebley agrees to cooperate with the Department, including but not limited to providing testimony, evidence, and assistance to the Department in any resulting actions. Moreover, Respondent Pebley agrees to waive any and all witness fees/costs in providing his testimony to the Department.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. By means of the Stipulation, Respondent Pebley has acknowledged and agreed that he will not engage or participate in the offer and sale of securities in or from the State of Illinois, and will not engage or participate in any and all investment adviser activities in the State of Illinois.
2. By means of the Stipulation, Respondent Pebley has acknowledged and agreed that he will be **PROHIBITED** from registering as an investment adviser and/or investment adviser representative in the State of Illinois.
3. By means of the Stipulation, Respondent Pebley has acknowledged and agreed that he will be **PROHIBITED** from registering as a salesperson in the State of Illinois.
4. By means of the Stipulation, Respondent Pebley agrees to cooperate with the Department, including but not limited to providing testimony, evidence, and assistance to the Department in any resulting actions. Moreover, Respondent Pebley agrees to waive any and all witness fees/costs in providing his testimony to the Department.
5. The Notice of Hearing dated November 5, 2014, as it relates to Respondent Pebley will be dismissed without further proceedings.
6. The entry of this Order ends the Secretary of State Securities Department's formal hearing of this matter as it relates to Brian Pebley.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This 15th day of June, 2015.



JESSE WHITE
Secretary of State
State of Illinois

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NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order shall be guilty of a Class 4 Felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, 735 ILCS 5/3 -101 *et seq.* and the Rules and Regulations of the Act (14 111. Admin. Code, Ch. I, Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.