

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**  
**July 25, 2006**

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

**In the Matter of**

**DARIN W. ROBERTS,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**AND NOTICE OF HEARING**

**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”) against Darin W. Roberts (“Roberts” or “Respondent”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A.     RESPONDENT**

1.       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. ENTRY OF INJUNCTION

2. 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.

3. 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.

## III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

#### IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

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

Nancy M. Morris  
Secretary