

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3458 / September 6, 2012**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 30196 / September 6, 2012**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15011**

**In the Matter of**

**FOCUS POINT SOLUTIONS,  
INC., THE H GROUP, INC.,  
and CHRISTOPHER KEIL  
HICKS,**

**Respondents.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTIONS 203(e), 203(f)  
AND 203(k) OF THE INVESTMENT  
ADVISERS ACT OF 1940 AND SECTIONS  
9(b) AND 9(f) OF THE INVESTMENT  
COMPANY ACT OF 1940, MAKING  
FINDINGS, AND IMPOSING REMEDIAL  
SANCTIONS AND A CEASE-AND-DESIST  
ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”) and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (“Investment Company Act”) against Focus Point Solutions, Inc. (“Focus Point”), The H Group, Inc. (“The H Group”), and Christopher Keil Hicks (“Hicks”) (collectively “Respondents”).

**II.**

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the “Offers”) 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 them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act

of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### **III.**

On the basis of this Order and Respondents’ Offers, the Commission finds that:

#### **Summary**

1. This matter involves an investment adviser’s failure to disclose multiple conflicts of interest. The adviser, Focus Point, of Portland, Oregon, together with its related adviser The H Group, and their principal Hicks, failed to disclose material conflicts of interest in three areas of their advisory business.

2. First, Focus Point received undisclosed compensation through a revenue-sharing agreement with a registered broker-dealer (“Broker”). The Broker agreed to pay Focus Point for all client assets that Focus Point invested in certain mutual funds. In exchange, Focus Point agreed to provide certain custodial support services to the Broker. The agreement created incentives for Focus Point to favor a particular category of mutual funds over other investments. Focus Point did not disclose this conflict of interest to its clients. By failing to disclose this conflict, Focus Point violated and Hicks aided and abetted Focus Point’s violations of Sections 206(2) and 207 of the Advisers Act.

3. Second, misleading information about Focus Point’s fee structure was provided to the trustees of a mutual fund for which Focus Point was seeking approval to become the sub-adviser. During the process of being hired as a sub-adviser to the fund, Focus Point told the trustees that Focus Point would not receive any compensation beyond its sub-advisory fee. However, unbeknownst to the trustees, Focus Point had an arrangement with the fund’s primary adviser that the primary adviser would compensate Focus Point. Focus Point’s omission prevented the trustees from evaluating all information reasonably necessary to approve the sub-advisory agreement, information which Focus Point was obligated to provide the trustees. Focus Point thus violated Section 15(c) of the Investment Company Act, and Hicks aided and abetted that violation.

4. Finally, The H Group, which was related to Focus Point, voted client proxies in favor of the proposal to approve Focus Point as the fund’s sub-adviser, despite its related adviser having a financial interest in the outcome of the vote. That conflict of interest created an incentive for The H Group to vote in its and its related adviser’s best interests rather than in the best interest of The H Group’s clients. By voting these proxies despite a conflict of interest, The H Group violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-6 thereunder.

#### **Respondents**

5. Respondent Focus Point is a registered investment adviser located in Portland, Oregon. Focus Point provides investment advice and back-office custodial support to both related and unrelated investment advisory firms. As of December 2011, Focus Point served as a non-discretionary investment adviser with approximately \$1.7 billion in assets under management.

Focus Point also serves as the sub-adviser to the \$65 million Generations Multi-Strategy Fund, a series of the Northern Lights Fund Trust. Focus Point is owned and operated by Respondent Hicks.

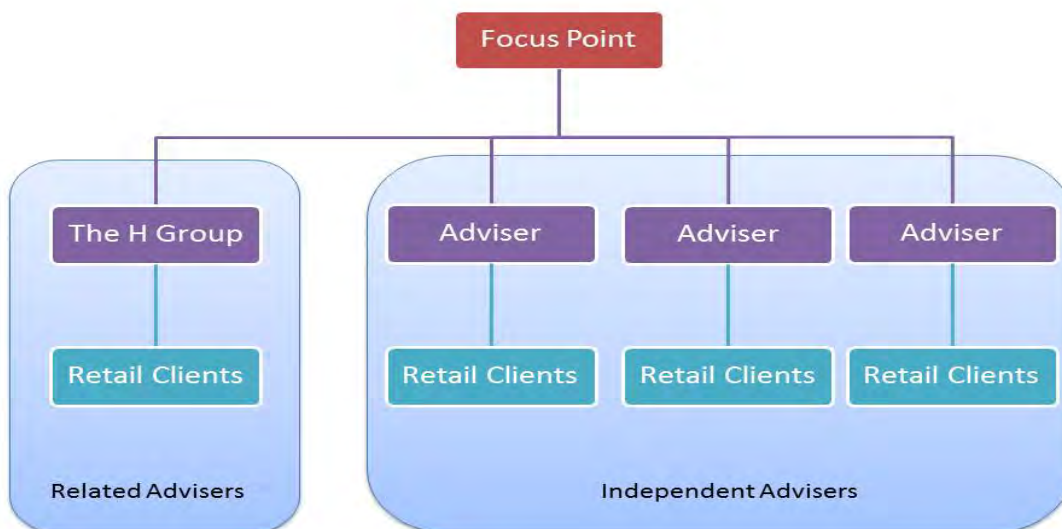
6. Respondent The H Group is a registered investment adviser located in Portland, Oregon. The H Group, which shares common ownership with Focus Point, offers investment advisory services to retail clients. As reported in its Form ADV, The H Group managed approximately \$515 million as of December 2011. H Group, whose president and owner is Respondent Hicks, receives investment advice and back-office custodial support from Focus Point.

7. Respondent Christopher Keil Hicks, age 44, resides in Portland, Oregon. Since January 2008, Hicks has served as President and owner of Focus Point and The H Group.

### **Facts**

#### *Focus Point Failed to Disclose Payments*

8. Focus Point provides “turn-key” asset management services and back-office custodial support to approximately 60 investment advisers (the “Advisers”). Including related and unrelated Advisers, Focus Point services approximately \$1.7 billion in assets under management, most of which is custodied with the Broker:



9. In addition to back-office custodial support, Focus Point provides investment recommendations to the Advisers. When an Adviser hires Focus Point, Focus Point provides that Adviser access to Focus Point’s proprietary asset allocation models made up of mutual fund and ETF selections in different asset classes. The Adviser then selects a model or group of models for each retail client. As of May 2010, Focus Point offered many model portfolios to its advisory clients, using a variety of mutual funds, ETFs, and equity positions, and recommended over- or

under-weighting various asset classes based on Focus Point's macroeconomic views. The majority of Focus Point's recommendations related to "No Transaction Fee" ("NTF") mutual funds. An NTF mutual fund is offered to investors by the Broker without any form of commission charged for the transaction.

10. When the Focus Point investment team believed that a fund addition or deletion was appropriate, they would first present their analysis to Focus Point's Investment Policy Committee, which included Hicks. If approved, the investment team then presented the proposed mutual fund change at a web conference with the Advisers, with an e-mail providing the investment rationale for the change following a few days later. Advisers were given 5 business days to object to the recommendation before Focus Point made the changes for all affected accounts.

11. In September 2007, Focus Point and the Broker entered into a "Custodial Support Services Agreement" ("CSSA"). Under the CSSA Focus Point agreed to perform certain "custodial support services," such as facilitating asset transfers, updating client information for the Broker, handling client account inquiries, and assisting with client paperwork and account reconciliation. In exchange, the Broker agreed to pay Focus Point a certain percentage of every dollar that Focus Point's clients invested in NTF mutual funds.<sup>1</sup> The September 2007 CSSA included a scaling provision, which provided for increased payouts to Focus Point if it achieved higher levels of custodied assets with the Broker. After Focus Point reached the first of these benchmarks, the parties entered into a new CSSA paying Focus Point a higher percentage on NTF assets in April 2010. The scaling provision was removed at that time.

12. Focus Point did not disclose the existence of the CSSA revenue-sharing agreement to any of the Advisers, nor did Focus Point disclose to them that Focus Point had an incentive to prefer NTF funds. Clients were thus unaware that Focus Point might have a bias in favor of the Broker's NTF funds over other investments that would not generate revenue for Focus Point under the revenue-sharing deal with the Broker, leading to potentially conflicted investment advice. Focus Point's Form ADV, a disclosure form filed with the SEC and made available to clients, also did not disclose this conflict. Item 13.A. of former Form ADV Part II<sup>2</sup> specifically requires investment advisers to disclose any arrangement where they receive direct or indirect compensation in connection with giving advice to clients. Focus Point's 13.A. disclosure does not.

### *The Generations Fund*

13. The Generations Multi-Strategy Fund ("Generations") is a mutual fund primarily investing in large-cap equities. Generations is organized as a series of the Northern Lights Fund Trust ("Northern Lights"), which assists independent investment advisers by providing the necessary infrastructure to support all of the services a mutual fund requires. Northern Lights is comprised of over 100 series, including Generations. Since its launch in October 2008,

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<sup>1</sup> The CSSA did not cover any proprietary funds advised by affiliated persons of the Broker, even though the Broker also offered some of these funds as NTFs.

<sup>2</sup> Part 2 of Form ADV was amended in 2010. See IA-3060 (July 28, 2010), <http://www.sec.gov/rules/final/2010/ia-3060.pdf>. Focus Point's Form ADV Part 2A also failed to disclose the conflict.

Generations has been advised by an adviser that is related to Focus Point (“Related Adviser”). The Related Adviser was expressly created for the purpose of advising Generations. The H Group, which is related to both Focus Point and the Related Adviser, placed many of its clients into Generations.<sup>3</sup>

14. In mid-2009, the Related Adviser proposed adding Focus Point as the sub-adviser to Generations and including a 12b-1 fee for the fund.<sup>4</sup> During the process of gaining approval of its sub-advisory agreement, Focus Point made several statements and representations to the Trustees of Northern Lights. Focus Point represented that it did not expect to receive payments or benefits from Generations other than the fee paid pursuant to the sub-advisory agreement.

15. However, unbeknownst to the Trustees, Focus Point had an arrangement with the Related Adviser in which the Related Adviser would pay Focus Point approximately 15 basis points.<sup>5</sup> Focus Point did not disclose this agreement to the Northern Lights’ Trustees. Focus Point’s omission prevented the Northern Lights Trustees from evaluating the information reasonably necessary to approve the sub-advisory agreement, information which Focus Point was obligated to provide the Trustees.

#### November 2009 Proxy Vote

16. Adding Focus Point as the sub-adviser to Generations required shareholder approval. The vast majority of these shareholders were clients of The H Group, which had recommended Generations to many of its clients. As The H Group and Focus Point have common ownership, H Group’s act of voting proxies on a shareholder proposal that could result in additional compensation for Focus Point created a conflict of interest. In the case of such a conflict, The H Group’s Proxy Voting Policy called for the proxies to be referred to the investors themselves. Such a referral would have prevented The H Group’s conflict of interest from tainting the proxy vote and potentially affecting the results.

17. Despite the requirement in the Proxy Voting Policy, The H Group voted its clients’ proxies in favor of the proposals to add Focus Point as a sub-adviser and to include a 12b-1 fee for Generations. Over 2.3 million proxies were voted in total (59% of the outstanding shares), and The H Group voted over 2 million proxies in favor of both proposals.

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<sup>3</sup> Focus Point, The H Group, and the Related Adviser are all owned, fully or partially, by Hicks.

<sup>4</sup> The marketing and selling costs involved with running a mutual fund are commonly referred to as distribution costs. Mutual funds are permitted to charge certain fees known as 12b-1 fees pursuant to Rule 12b-1 under the Investment Company Act to pay for fund distribution. These fees are deducted from a mutual fund to compensate securities professionals for sales efforts and certain administrative services provided to the fund's investors.

<sup>5</sup> A basis point is 1/100th of 1% or 0.0001. Correspondingly, 15 basis points means 0.15%, or 0.0015.

## Violations of Law

18. Section 206(2) of the Advisers Act makes it unlawful for an adviser to use instruments of interstate commerce to engage in any transaction, practice, or course of business that operates as a fraud or deceit upon any client or prospective client. Proof of scienter is not required to establish a violation of Section 206(2), but rather may rest on a finding of negligence. *SEC v. Steadman*, 967 F.2d 636, 643 n.5 (D.C. Cir. 1992) (citing *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 194-95 (1963).) Section 207 of the Advisers Act makes it unlawful for any person to make any untrue statement of a material fact in any registration application or report filed with the Commission. As a result of the conduct described above, Focus Point willfully violated Sections 206(2) and 207 of the Advisers Act, and Hicks willfully aided and abetted and caused Focus Point's violations.<sup>6</sup>

19. Section 15(c) of the Investment Company Act requires an investment adviser to a registered investment company, such as a mutual fund, "to furnish, such information as may reasonably be necessary to evaluate the terms of any contract whereby [it] undertakes regularly to serve or act as investment adviser ...." to the fund. Section 15(c) of the Investment Company Act requires, among other things, that a majority of a fund's independent directors/trustees approve the advisory contract between the investment adviser and the fund. As a result of the conduct described above, Focus Point willfully violated Section 15(c) of the Investment Company Act, and Hicks willfully aided and abetted and caused Focus Point's violations.

20. Section 206(4) of the Advisers Act makes it "unlawful for any investment adviser ... to engage in any act, practice, or course of business which is fraudulent, deceptive, or manipulative" and Rule 206(4)-6 thereunder requires advisers to adopt and implement written policies and procedures that are reasonably designed to ensure that the adviser votes client securities in the best interest of clients. As a result of the conduct described above, The H Group willfully violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-6 thereunder.

## Undertakings

Respondent Focus Point has undertaken to:

21. Independent Compliance Consultant. With respect to the retention of an independent compliance consultant, Focus Point has agreed to the following undertakings:

a. Focus Point shall retain, within ninety (90) days of the entry of this Order, the services of an independent compliance consultant (the "Independent Consultant") that is not unacceptable to the Commission staff. The Independent Consultant's compensation and expenses shall be borne exclusively by Focus Point.

b. Focus Point shall provide to the Commission staff, within ninety (90) days of

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<sup>6</sup> A willful violation of the securities laws means merely "that the person charged with the duty knows what he is doing." *Wonsover v. SEC*, 205 F.3d 408, 414 (D.C. Cir. 2000) (quoting *Hughes v. SEC*, 174 F.2d 969, 977 (D.C. Cir. 1949)).

the entry of this Order, a copy of the engagement letter detailing the Independent Consultant's responsibilities, which shall include comprehensive compliance reviews as described below in this Order. Focus Point shall require that the Independent Consultant conduct by the end of the first quarter of 2013 and the end of the first quarter of 2014 comprehensive reviews of Focus Point's supervisory, compliance, and other policies and procedures reasonably designed to detect and prevent breaches of the federal securities laws by Focus Point and its employees (the "Reviews").

c. Focus Point shall require that, within forty-five (45) days from the end of the applicable quarterly period, the Independent Consultant shall submit a written and detailed report of its findings to Focus Point and to the Commission staff (the "Report"). Focus Point shall require that each Report include a description of the review performed, the names of the individuals who performed the review, the conclusions reached, the Independent Consultant's recommendations for changes in or improvements to Focus Point's policies and procedures and/or disclosures to clients, and a procedure for implementing the recommended changes in or improvements to Focus Point's policies and procedures and/or disclosures.

d. Focus Point shall adopt all recommendations contained in each Report within sixty (60) days of the applicable Report; provided, however, that within forty-five (45) days after the date of the applicable Report, Focus Point shall in writing advise the Independent Consultant and the Commission staff of any recommendations that Focus Point considers to be unduly burdensome, impractical, or inappropriate. With respect to any recommendation that Focus Point considers unduly burdensome, impractical or inappropriate, Focus Point need not adopt that recommendation at that time but shall propose in writing an alternative policy, procedure or system designed to achieve the same objective or purpose.

e. As to any recommendation with respect to Focus Point's policies and procedures on which Focus Point and the Independent Consultant do not agree, Focus Point and the Independent Consultant shall attempt in good faith to reach an agreement within sixty (60) days after the date of the applicable Report. Within fifteen (15) days after the conclusion of the discussion and evaluation by Focus Point and the Independent Consultant, Focus Point shall require that the Independent Consultant inform Focus Point and the Commission staff in writing of the Independent Consultant's final determination concerning any recommendation that Focus Point considers to be unduly burdensome, impractical, or inappropriate. Focus Point shall abide by the determinations of the Independent Consultant and, within sixty (60) days after final agreement between Focus Point and the Independent Consultant or final determination by the Independent Consultant, whichever occurs first, Focus Point shall adopt and implement all of the recommendations that the Independent Consultant deems appropriate.

f. Within ninety (90) days of Focus Point's adoption of all of the recommendations in a Report that the Independent Consultant deems appropriate, as determined pursuant to the procedures set forth herein, Focus Point shall certify in writing to the Independent Consultant and the Commission staff that Focus Point has adopted and implemented all of the Independent Consultant's recommendations in the applicable Report. Unless otherwise directed by the Commission staff, all Reports, certifications, and other documents required to be provided to the Commission staff shall be sent to Marshall S. Sprung, Deputy Chief, Asset Management Unit, Los Angeles Regional Office, Securities and Exchange Commission, 5670 Wilshire Boulevard,

Los Angeles, CA 90036, or such other address as the Commission staff may provide.

g. Focus Point shall cooperate fully with the Independent Consultant and shall provide the Independent Consultant with access to such of its files, books, records, and personnel as are reasonably requested by the Independent Consultant for review.

h. To ensure the independence of the Independent Consultant, Focus Point:

- i. Shall not have the authority to terminate the Independent Consultant or substitute another independent compliance consultant for the initial Independent Consultant, without the prior written approval of the Commission staff; and
- ii. Shall compensate the Independent Consultant and persons engaged to assist the Independent Consultant for services rendered pursuant to this Order at their reasonable and customary rates.

i. Focus Point shall require the Independent Consultant to enter into an agreement that provides that for the period of engagement and for a period of two (2) years from completion of the engagement, the Independent Consultant shall not enter into any employment, consultant, attorney-client, auditing or other professional relationship with Focus Point, or any of its present or former affiliates, directors, officers, employees, or agents acting in their capacity as such. The agreement will also provide that the Independent Consultant will require that any firm with which the Independent Consultant is affiliated or of which the Independent Consultant is a member, and any person engaged to assist the Independent Consultant in the performance of the Independent Consultant's duties under this Order shall not, without prior written consent of the Commission staff, enter into any employment, consultant, attorney-client, auditing or other professional relationship with Focus Point, or any of its present or former affiliates, directors, officers, employees, or agents acting in their capacity as such for the period of the engagement and for a period of two (2) years after the engagement.

22. Recordkeeping. Focus Point shall preserve for a period of not less than six (6) years from the end of the fiscal year last used, the first two (2) years in an easily accessible place, any record of Focus Point's compliance with the undertakings set forth in this Order.

23. Notice to Advisory Clients. Within thirty (30) days of the entry of this Order, Focus Point shall provide a copy of the Order to each of Focus Point's existing advisory clients as of the entry of this Order via mail, e-mail, or such other method as may be acceptable to the Commission staff, together with a cover letter in a form not unacceptable to the Commission staff. For a period of one (1) year, Focus Point shall provide a copy of the Order to all of its prospective clients.

24. Deadlines. For good cause shown, the Commission staff may extend any of the procedural dates relating to the undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

25. Certifications of Compliance by Respondent. Focus Point shall certify, in writing,



compliance with its undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Focus Point agrees to provide such evidence. The certification and supporting material shall be submitted to Marshall S. Sprung, Deputy Chief, Asset Management Unit, Los Angeles Regional Office, Securities and Exchange Commission, 5670 Wilshire Boulevard, Los Angeles, CA 90036, or such other address as the Commission staff may provide, with a copy to the Office of Chief Counsel of the Enforcement Division, 100 F Street, NE Washington, DC 20549, no later than sixty (60) days from the date of the completion of the undertakings.

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondents' Offers.

Accordingly, pursuant to Sections 203(e), 203(f) and 203(k) of the Advisers Act and Sections 9(b) and 9(f) of the Investment Company Act, it is hereby ORDERED that:

A. Respondents Focus Point and Hicks cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 207 of the Advisers Act and Section 15(c) of the Investment Company Act.

B. Respondent The H Group cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-6 thereunder.

C. Respondents Focus Point, The H Group and Hicks are censured.

D. Respondent Focus Point shall, within 400 days of the entry of this Order, pay disgorgement of \$900,000.00 and prejudgment interest of \$25,813.92 to the United States Treasury. Payment shall be made in the following four installments: (1) \$50,000.00 shall be paid within 35 days of the entry of this Order; (2) \$300,000.00 shall be paid within 125 days of the entry of this Order; (3) \$300,000.00 shall be paid within 215 days of the entry of this Order; and (4) \$275,813.92 shall be paid within 400 days of the entry of this Order. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of disgorgement and prejudgment interest, plus any additional interest accrued pursuant to SEC Rule of Practice 600, shall be due and payable immediately, without further application. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or

(3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Focus Point as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Marshall S. Sprung, Deputy Chief, Asset Management Unit, Los Angeles Regional Office, Securities and Exchange Commission, 5670 Wilshire Boulevard, Los Angeles, CA 90036.

E. Respondent Focus Point shall, within 35 days of the entry of this Order, pay a civil money penalty in the amount of \$100,000.00 to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Focus Point as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Marshall S. Sprung, Deputy Chief, Asset Management Unit, Los Angeles Regional Office, Securities and Exchange Commission, 5670 Wilshire Boulevard, Los Angeles, CA 90036.

F. Respondent The H Group shall, within 35 days of the entry of this Order, pay a civil money penalty in the amount of \$50,000.00 to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying The H Group as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Marshall S. Sprung, Deputy Chief, Asset Management Unit, Los Angeles Regional Office, Securities and Exchange Commission, 5670 Wilshire Boulevard, Los Angeles, CA 90036.

G. Respondent Hicks shall, within 35 days of the entry of this Order, pay a civil money penalty in the amount of \$50,000.00 to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Hicks as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Marshall S. Sprung, Deputy Chief, Asset Management Unit, Los Angeles Regional Office, Securities and Exchange Commission, 5670 Wilshire Boulevard, Los Angeles, CA 90036.

H. Respondent Focus Point shall comply with the undertakings enumerated in Section III, paragraphs 21 to 25 above.

By the Commission.

Elizabeth M. Murphy  
Secretary