



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
MARK VIII HOLDINGS, LLC a/k/a MARK VIII) Case No. AP-08-33
HOLDING COMPANY a/k/a MARK VIII, LLC;)
INTERNATIONAL MARK VIII, LLC; and)
GARY ROBERT DOSS,)
)
Respondents.)

**FINAL ORDER TO CEASE AND DESIST AND ORDER AWARDING
RESTITUTION AND CIVIL PENALTIES AS TO RESPONDENTS MARK VIII
HOLDINGS, LLC A/K/A MARK VIII HOLDINGS COMPANY A/K/A MARK VIII,
LLC; INTERNATIONAL MARK VIII, LLC; AND GARY ROBERT DOSS**

Now on the 27th day of April, 2016, the Commissioner, having reviewed this matter, issues the following findings and order:

I. PRODEDURAL BACKGROUND

1. On December 11, 2008, the Enforcement Section of the Securities Division of the Office of the Missouri Secretary of State (the "Enforcement Section"), through Assistant Commissioner Mary S. Hosmer, submitted a Petition for Order to Cease and Desist and Order to Show Cause why Civil Penalties and Costs Should not be Imposed ("Petition").
2. On December 22, 2008, the Commissioner issued an Order to Cease and Desist and Order to Show Cause why Civil Penalties and Costs Should not be Imposed ("Cease and Desist Order").¹
3. On January 20, 2009, Respondents Mark VIII Holdings, LLC a/k/a Mark VIII Holdings Company a/k/a Mark VIII, LLC ("Mark VIII"), International Mark VIII, LLC ("Mark International"), and Gary Robert Doss ("Doss"), through counsel, submitted a Request for Hearing.

¹ The original Petition and Cease and Desist Order also included Michael D. Adamovich ("Adamovich") as a respondent. In 2009, Adamovich filed a motion to sever and entered into a consent with the Enforcement Section. The Commissioner issued the Adamovich Consent Order on December 22, 2009.

4. On January 26, 2009, the Commissioner issued an order setting a hearing in this matter for March 12, 2009.
5. On February 19, 2009, a pre-hearing conference was held. During that conference, all parties agreed to a continuance of the hearing in this matter.
6. On February 23, 2009, the Commissioner continued the hearing in this matter to May 7, 2009.
7. On February 26, 2009, Respondents Mark VIII, Mark International and Doss, through counsel, filed a Request for Extension of Time to File Responsive Pleading, and Leave to File.
8. On March 5, 2009, the Commissioner issued an Order Granting Request for Extension of Time to File Responsive Pleading, and Leave to File.
9. On March 9, 2009, Respondents Mark VIII, Mark International and Doss, through counsel, filed the Answer of Mark VIII Holdings, LLC, Mark VIII Holdings Company, LLC, Mark VIII, LLC, International Mark VIII, LLC and Gary R. Doss, Respondents.
10. On May 6, 2009, the Commissioner continued the hearing in this matter to August 10, 2009.
11. On August 6, 2009, the Commissioner continued the hearing in this matter to October 15, 2009.
12. On September 8, 2009, Respondent Doss, through counsel, filed a Withdrawal of Request for Hearing.
13. On October 14, 2009, the Commissioner continued the hearing in this matter to December 17, 2009.
14. On December 17, 2009, Respondents Mark VIII and Mark International did not appear for the hearing in this matter.
15. On March 24, 2015, the Enforcement Section filed a Motion for Final Order and Statement of Penalties, Costs, & Restitution as to Respondents Doss, Mark VIII, and Mark International.
16. To date, Respondents Mark VIII, Mark International and Doss have failed to respond to the Motion for Final Order.

II. FINDINGS OF FACT

17. Mark VIII is a Missouri limited liability company organized on April 11, 2003. Mark

VIII was organized for the purpose of operating an investment club. Mark VIII has an address of P.O. Box 640, Smithville, Missouri 64089, but is physically located at 4424 Lowman Road, Smithville, Missouri 64089-8562.

18. Mark International is a Missouri limited liability company organized on December 21, 2004. Mark International was organized to provide consulting services to manufacturing companies. Mark International has an address of 907 Coventry Court, Warrensburg, Missouri 64093.
19. Doss is an organizer of Mark VIII and Mark International and has an address of 4424 Lowman Road, Smithville, Missouri 64089-8562.
20. From at least June 2003 through June 2007, a Missouri resident ("MR"), worked for Mark VIII as an independent contractor marketing a computerized management system and providing consulting services to companies that purchased the management system from Mark VIII.
21. In 2003, Doss told MR, among other things, that:
 - a. Doss invested money for some of the employees at Mark VIII;
 - b. the funds he had invested had been doubling approximately every six months; and
 - c. in the worst case he would double investors' money every twelve months.
22. MR understood that these investments were to be placed in a Mark VIII brokerage account ("Brokerage Account").
23. From June 10, 2003, to January 26, 2006, MR invested sixty-nine thousand, two hundred twenty-five dollars (\$69,225) with Doss through Mark VIII and Mark International.
24. MR stated, among other things, that prior to MR's investments with Doss, Mark VIII and/or Mark International, MR:
 - a. did not receive any background information regarding Doss, Mark VIII or Mark International;
 - b. did not receive any financial information regarding Doss, Mark VIII or Mark International;
 - c. did not receive records or information regarding the specific investments Doss, Mark VIII or Mark International were to make on MR's behalf; and
 - d. was not informed by Doss, Mark VIII or Mark International that there was a penalty to withdraw MR's funds from this Brokerage Account.
25. Subsequent to MR's investments with Doss, Mark VIII and/or Mark International, MR

stated, among other things, that MR:

- a. was not contacted by Doss prior to any investment made in the Brokerage Account;
 - b. did not receive any trade confirmations from the Brokerage Account; and
 - c. did not receive monthly statements evidencing the returns generated by the funds MR invested in the Brokerage Account.
26. On or about December 28, 2004, Doss sent MR an email which stated, in part, the following:
- “. . . our investments group that you are a part of is [sic] setting a play in Jan for contracts, but we buy in \$30,000 blocks. 6 month [sic] is a good stock play. There are good mid cap stocks that will do well in the next 6 months, China is out building [sic] the USA right now and companies that have contracts with China will do well in 6 month [sic]. I will get you a list of stock plays. You can add this to our group and take it out in 6 months”
27. In the summer of 2005, MR requested a withdrawal of ten thousand dollars (\$10,000) from MR’s Brokerage Account.
28. On or about July 11, 2005, Doss issued a check to MR from the Mark VIII business account in the amount of ten thousand dollars (\$10,000).
29. MR received this check in July 2005. The memo section of this July 11, 2005, check stated: “Investment Removal/[MR] Account/Code 21.”
30. MR received an undated statement on Mark VIII letterhead, titled, *Mark VIII Brokerage Account Statement*, showing that MR’s money was invested in “cash equivalents.”
31. Sometime prior to June 4, 2007, MR asked Doss for a withdrawal of all of MR’s funds from the Brokerage Account.
32. On or about June 4, 2007, Doss sent MR an email stating, in part, the following:
- “. . . I run 6 9 12 [sic] months [sic] futures. We leverage the index at the high and lows for maximum returns. You would not want to take any money out any soon. [sic] It would be to [sic] costly. But if need money, [sic] you need money”
33. In June 2007, MR did not receive the return of MR’s funds but received information from Doss indicating, among other things, that:
- a. MR’s Brokerage Account balance was eighty-nine thousand, five hundred sixty-

seven dollars and sixty-three cents (\$89,567.63);

- b. if the funds from this Brokerage Account were converted to cash prior to December 31, 2007, the balance would be forty-seven thousand, six hundred seventy-eight dollars and forty-nine cents (\$47,678.49); and
 - c. MR's Brokerage Account contained:
 - i. 1.8% Money Market Funds;
 - ii. 11.6% Equities / Options;
 - iii. 33.5% Mutual Funds;
 - iv. 44.4% Fixed Income Securities;
 - v. 5.6% Insurance Annuities; and
 - vi. 2.5% REITs/Tangibles.
34. In August 2007, MR again contacted Doss and stated that MR wanted to withdraw MR's funds from the Brokerage Account.
35. In August 2007, Doss advised MR that if MR moved MR's funds from the Brokerage Account that Doss would return "just what [MR] had put in. You will not have any loss's [sic] or gains. The risk of loss is still with me till Jan 2008"
36. As of December 2008, MR had not received the return of MR's funds from the Brokerage Account.
37. On or about February 26, 2008, the Division sent a letter of inquiry to Doss via certified mail. The letter requested information regarding the offerings and, among other things, any claims of exemptions relied upon in selling securities in the State of Missouri.
38. This February 26, 2008 letter from the Division was received by Doss on March 4, 2008.
39. Doss has not responded to the Division's inquiry of February 26, 2008.
40. In May and June 2008, an investigator with the Division obtained bank records for the following bank accounts:
- a. the Mark VIII account at the First Bank of Smithville in Smithville, Missouri;
 - b. the Mark International account at Citizens Bank & Trust in Chillicothe, Missouri 64601; and

- c. the Doss bank account at Community America Credit Union in Kansas City, Missouri 64153.
- 41. Doss was the signatory on all of these bank accounts (the “Doss Bank Accounts”).
- 42. A review of the Doss Bank Accounts revealed that Doss cashed three (3) of MR’s investment checks totaling ten thousand, five hundred dollars (\$10,500) and that Doss deposited fifty-eight thousand, seven hundred twenty-five dollars (\$58,725) into the business accounts for Mark VIII and Mark International. These funds were used by Doss for business and personal expenses.
- 43. A check of the records maintained by the Commissioner confirmed that:
 - a. Doss was not registered as a securities agent in Missouri; and
 - b. Mark VIII and Mark International were not registered as broker-dealers in Missouri.

III. CONCLUSIONS OF LAW

- 44. By withdrawing his request for a hearing, the Cease and Desist Order became **FINAL** as to Respondent Doss by operation of law. *See* Section 409.6-604(b), RSMo. (Cum. Supp. 2013).² *See also*, *Coleman v. Missouri Sec’y of State*, 313 S.W.3d 148, 156 (Mo. App. W.D. 2010) (noting that a respondent’s withdrawal of his hearing request “was qualitatively identical to never having requested a hearing in the first place” and “pursuant to section 409.6-604(b), the Commissioner was free to take action to enter the Final Order without conducting a hearing”).

Multiple Violations of Offering and Selling Unregistered, Non-Exempt Securities

- 45. **THE COMMISSIONER CONCLUDES** that Respondents Doss, Mark VIII, and Mark International violated Section 409.3-301, when they offered and sold unregistered, non-exempt securities in the State of Missouri to MR.
- 46. Respondents Doss, Mark VIII, and Mark International offered and sold a security as those terms are defined in Sections 409.1-102 (26) and (28).
- 47. At all times relevant, there was no registration, granted exemption or notice filing indicating status as a “federal covered security” for the investments offered and sold by Respondents Doss, Mark VIII, and Mark International.
- 48. Respondents Doss, Mark VIII, and Mark International offered and sold securities in Missouri without these securities being (1) a federal covered security, (2) exempt from

² Unless otherwise noted, all statutory references are to the 2013 cumulative supplement to the Revised Statutes of Missouri.

registration under Sections 409.2-201 or 409.2-202, or (3) registered under the Missouri Securities Act of 2003.

49. Respondents Doss, Mark VIII, and Mark International offered and sold unregistered securities in violation of Section 409.3-301.
50. Respondents Doss', Mark VIII's, and Mark International's conduct in violation of Section 409.3-301 constitutes engaging in an illegal act, practice, or course of business and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Transacting Business as an Unregistered Agent

51. **THE COMMISSIONER FURTHER CONCLUDES** that Respondent Doss violated Section 409.4-402(a), when he effected or attempted to effect purchases or sales of securities in the State of Missouri without being registered or exempt from registration as an agent.
52. These activities constitute transacting business as an agent in the State of Missouri under Section 409.1-102(1).
53. At all times relevant, there was no registration or granted exemption for Respondent Doss to transact business as an agent in the State of Missouri.
54. Respondent Doss transacted business in the State of Missouri as an agent without being registered or exempt from registration in violation of Section 409.4-402(a).
55. Respondent Doss' conduct in transacting business as an unregistered agent constitutes engaging in an illegal act, practice, or course of business and such action is therefore subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Transacting Business as an Unregistered Broker-Dealer

56. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Mark VIII and Mark International violated Section 409.4-401(a), when they effected transactions in the Brokerage Account of MR without being registered or exempt from registration as a broker-dealer.
57. These activities constitute transacting business as a broker-dealer in the State of Missouri under Section 409.1-102(4).
58. At all times relevant, there was no registration or granted exemption for Respondents Mark VIII or Mark International to transact business as a broker-dealer in the State of Missouri.

- 59. Respondents Mark VIII or Mark International transacted business in Missouri without being registered or exempt from registration as broker-dealers in violation of Section 409.4-401(a).
- 60. Respondents Mark VIII's and Mark International's conduct in violation of Section 409.4-401(a) constitutes engaging in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Violation of Employing an Unregistered Agent

- 61. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Mark VIII and Mark International violated Section 409.4-402(d), when they employed an unregistered agent, who on behalf of Respondents Mark VIII and Mark International transacted business in the State of Missouri.
- 62. Respondents Mark VIII and Mark International employed Doss, who effected or attempted to effect purchases or sales of securities on behalf of Respondents Mark VIII and Mark International. These activities constitute transacting business in the State of Missouri.
- 63. At all times relevant to this matter, there was no registration or granted exemption for Doss to transact business as an agent in the State of Missouri.
- 64. Respondents Mark VIII and Mark International employed or associated with an unregistered agent who transacted business in the State of Missouri in violation of Section 409.4-402(d).
- 65. Respondents Mark VIII's and Mark International's conduct in violation of Section 409.4-402(d) constitutes engaging in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Making an Untrue Statement or Omitting to State Material Facts in Connection with the Offer or Sale of a Security

- 66. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Doss, Mark VIII, and Mark International violated Section 409.5-501 when, in connection with the offer or sale of securities to MR, Respondents Doss, Mark VIII, and Mark International made the following untrue statements of material fact:
 - a. MR's Brokerage Account balance was eighty-nine thousand, five hundred sixty-seven dollars and sixty-three cents (\$89,567.63); and
 - b. MR's Brokerage Account contained:
 - i. 1.8% Money Market Funds;
 - ii. 11.6% Equities / Options;

- iii. 33.5% Mutual Funds;
- iv. 44.4% Fixed Income Securities;
- v. 5.6% Insurance Annuities; and
- vi. 2.5% REITs/Tangibles,

67. **THE COMMISSIONER FURTHER CONCLUDES** that Respondents Doss, Mark VIII, and Mark International violated Section 409.5-501 when, in connection with the offer or sale of securities to MR, Respondents Doss, Mark VIII, and Mark International omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to:
- a. that the Respondents were not registered to offer or sell securities in the State of Missouri;
 - b. background information on Doss, Mark VIII or Mark International;
 - c. financial information on Doss, Mark VIII or Mark International;
 - d. records or information regarding the specific investments Doss, Mark VIII or Mark International were to make on MR's behalf;
 - e. that there was a penalty to withdraw MR's funds from the Brokerage Account;
 - f. that MR would not be contacted by Doss prior to any investment made in the Brokerage Account;
 - g. that MR would not receive any trade confirmations from the Brokerage Account;
 - h. that MR would not receive monthly statements evidencing the returns generated by the funds MR invested in the Brokerage Account;
 - i. that some of MR's funds would be deposited into the Doss Bank Accounts and used for business and personal expenses; or
 - j. that some of MR's funds would be cashed by Doss.
68. Respondents Doss', Mark VIII's, and Mark International's actions in making untrue statements and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer, sale or purchase of a security, constitute violations of Section 409.5-501, and are illegal acts, practices, or courses of business under Section 409.6-604.
69. This order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003.

IV. ORDER

NOW THEREFORE, it is hereby ordered that Respondents Doss, Mark VIII, and Mark International, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with the knowledge of this Order are prohibited from violating or materially aiding in any violation of:

- A. Section 409.3-301, by offering or selling unregistered, non-exempt securities;
- B. Section 409.4-401(a), by transacting business as an unregistered broker-dealer;
- C. Section 409.4-402(a), by transacting business as an unregistered agent;
- D. Section 409.4-402(d), by employing or associating with an unregistered agent; and
- E. Section 409.5-501, by, in connection with the offer or sale of securities, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading or engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents Doss, Mark VIII, and Mark International shall each pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.3-301. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents Mark VIII and Mark International shall each pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.4-401(a). This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondent Doss shall pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.4-402(a). This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents Mark VIII and Mark International shall each pay a civil penalty in the amount of \$1,000 for violating

Section 409.4-402(d). This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents Doss, Mark VIII, and Mark International shall each pay a civil penalty in the amount of \$10,000 for multiple violations of Section 409.5-501. This amount shall be made payable to the State of Missouri, and paid within 30 days of the date of this Final Order. The Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, P.O. Box 1276, Jefferson City, Missouri 65102.

IT IS FURTHER ORDERED that, pursuant to Section 409.6-604(d), Respondents Doss, Mark VIII, and Mark International shall pay, jointly and severally, restitution to MR in the amount of \$59,225. This amount shall be made payable to the Missouri Secretary of State's Investor Restitution Fund, and the Commissioner will take reasonable and necessary actions to distribute such funds to MR. This amount shall be sent to the Missouri Securities Division at 600 West Main Street, Jefferson City, Missouri 65101, within 30 days from the date of this Final Order.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS TWENTY-SEVENTH DAY OF APRIL, 2016.



JASON KANDER
SECRETARY OF STATE

Andrew M. Hartnett

ANDREW M. HARTNETT
COMMISSIONER OF SECURITIES

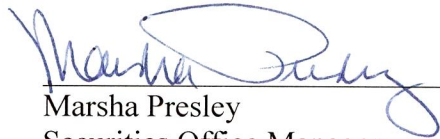
CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of April, 2016, a copy of the foregoing Final Order to Cease and Desist and Order Awarding Restitution and Civil Penalties as to Respondents Mark VIII Holdings, LLC a/k/a Mark VIII Holding Company a/k/a Mark VIII, LLC; International Mark VIII, LLC; and Gary Robert Doss in the above styled case was **mailed by Certified U.S. mail, Return Receipt Requested, to:**

Philip O. Willoughby
Gunn, Shank and Stover, P.C.
9800 N.W. Polo, Suite 100
Kansas City, Missouri 64153
ATTORNEY FOR RESPONDENTS
MARK VIII HOLDINGS, LLC a/k/a
MARK VIII HOLDINGS COMPANY
a/k/a MARK VIII, LLC;
INTERNATIONAL MARK VIII, LLC; and
GARY DOSS

and by hand-delivery to:

Mary S. Hosmer
Assistant Commissioner


Marsha Presley
Securities Office Manager