

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
OF THE STATE OF TENNESSEE AT NASHVILLE**

**TENNESSEE SECURITIES DIVISION,**  
**Petitioner**

**vs.**

**PATRICK N. DOYLE**  
**Respondent**

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Order No. 04-017

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**CONSENT ORDER**

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The Tennessee Securities Division ("Division"), and Patrick N. Doyle, Respondent herein, agree to the entry of this Agreed Order in accordance with Tenn. Code Ann. § 48-2-116 of the Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. § 48-2-101, et seq. ("Act"), which states that the Commissioner of Commerce and Insurance ("Commissioner") from time to time may make such orders as are necessary to carry out the provisions of the Act.

**GENERAL STIPULATIONS**

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry of the Commissioner.

2. This Consent Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and

consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts or omissions not specifically addressed in this Consent Order for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of or to otherwise challenge or contest the validity of the Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Consent Order by the Commissioner.

#### **FINDINGS OF FACT**

1. The Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. § 48-2-101, et seq. (the "Act"), places the responsibility for the administration of the Act on the Commissioner of Commerce and Insurance ("Commissioner"). The Division is the lawful agent through which the Commissioner discharges this responsibility. Tenn. Code Ann. § 48-2-115.

2. Respondent, Patrick N. Doyle ("Doyle") is believed to be an employee, agent, officer, director, owner or other affiliated person of Big International and/or Omega Fund. Doyle maintains his address at 4253 Rachel Donelson Pass, Hermitage, TN 37076. Doyle is not currently registered with the Division as a broker-dealer or agent of a broker-dealer in Tennessee pursuant to the Act.

3. Joseph Taylor (hereinafter referred to as "Taylor") is a citizen and resident of Ashland City, Tennessee. His address is 134 Joyce Lane, Ashland City, TN 37015.

4. Michael Martinez (hereinafter referred to as "Martinez") is a citizen and

resident of Davidson County, Tennessee. His address is 388 Kingview Dr., Nashville, TN 37218.

5. Kevin Schmidt (hereinafter referred to as "Schmidt") is a citizen and resident of Tennessee. His address is 212 Sequoyah Trail, Hendersonville, TN 37075.

6. Diana F. Maas (hereinafter referred to as "Maas") is a citizen and resident of Tennessee. Her address is 117 Sun Valley Dr., Mt. Juliet, TN 37122.

7. In January of 2000, Taylor was approached by Doyle about investing in Big International (hereinafter referred to as "Big"). Big was a business entity whose mailing address was P.O. Box 474, Kingston, Surrey, England KT1 #YS. Big is not and never has been registered with the Division as a broker-dealer, agent of a broker-dealer, or investment adviser.

8. On January 13, 2000, Taylor purchased a cashier's check in the amount of \$25,655.00. The cashier's check was issued to the Courtney Agencies, the processing agent for Big. A letter from Doyle to Big indicated that the funds were for the purchase of 300 profit reimbursements ("PR").

9. According to a document that Taylor received from Doyle, a PR was a type of investment which required a \$90.00 loan to Big per PR. When an individual loaned Big \$90.00 for a PR, Big would allocate a \$600.00 "lodgment" in their account. Although the individual never owned the \$600.00, they were to receive interest generated by the \$600.00 once per year. The interest rate was 4% per month. One PR was to generate \$360.00 in twelve months.

10. Additionally, the document Taylor received indicated that an individual could make as many PR loans as they liked, unless the number was limited by Big based on demand. Additionally, once an individual registered as a player and made one PR loan, an

initial free lottery ticket became valid indefinitely and never needed renewing. The individual would receive one free lottery ticket for every PR loan made.

11. In a January 30, 2000 letter, Doyle informed Taylor of the latest interest rate returns on his account, and he provided Taylor with a chart of how his PR's would grow in value. From Taylor's original loan of \$25,660.00, Doyle indicated that he would receive a return of 421.61%. It was projected that in 2003, if Taylor left his money in the plan, he would have \$1,923,080.55.

12. On January 31, 2000, Doyle approached Martinez regarding participation in Big. Doyle acted as an "Introducing Agent" to Martinez, who invested by purchasing one PR for \$90.00, paying a \$15.00 "player registration fee", and paying a 5% credit card fee of \$5.25.

13. On February 26, 2000, Doyle approached Maas regarding participation in Big. Doyle acted as an "Introducing Agent" to Maas, who invested by purchasing four PR's for \$360.00, paying a \$15.00 "player registration fee", and paying a 5% credit card fee of \$18.75.

14. On February 26, 2000, Doyle approached Schmidt regarding participation in Big. Doyle acted as an "Introducing Agent" to Schmidt, who invested by purchasing one PR for \$90.00, paying a \$15.00 "player registration fee", and paying a 5% credit card fee of \$5.25.

15. The Big website promised that investors could receive a "300% return." The website also described an investment scheme strongly resembling a pyramid or Ponzi scam.

16. Big has been the subject of numerous warnings and regulatory actions beginning in 1999. The Securities Commission of New Zealand issued a warning against Big in October of 2000. Additionally, the Idaho Department of Finance issued a Cease and Desist Order against Big, Courtney Agencies, and Agora Office Services for selling unregistered securities and engaging in fraudulent activities. The Alabama Securities Commission has also issued a Cease and Desist Order. It appears that Big International is no longer in business.

17. In October of 2001, Taylor entered into an agreement with Doyle to invest \$8,500.00. The agreement indicated that Taylor was to receive \$2,500.00 on or before October 21, 2001, and within two to four weeks, he was to receive monthly installments of \$24,000.00 until November 21, 2001. Taylor was to receive a minimum of \$307,500.00 over the next eleven months.

18. The monies were to be invested in the Omega Fund. Taylor never received any return from the investments.

19. Patrick Doyle has not registered any securities offerings with the Division pursuant to the Act.

20. Patrick Doyle is not registered with the Division as a broker-dealer or as an agent of a broker-dealer.

#### **CONCLUSIONS OF LAW**

21. Pursuant to Tenn. Code Ann. §48-2-115(a), the responsibility for administration of the Act is upon the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility.

22. Tennessee Code Annotated §48-2-109(a) provides that it is unlawful for any person to transact business from or in this state as a broker-dealer, agent of a broker-dealer, or investment adviser unless such person is registered as a broker-dealer, agent of a broker-dealer, or investment adviser under this part.

23. Tenn. Code Ann. § 48-2-104 provides that it is unlawful for any person to sell any security in this state unless: (1) it is registered under the Act, (2) the security or transaction is exempted under Tenn. Code Ann. § 48-2-103, or (3) the security is a covered security.

24. Tennessee Code Annotated §48-2-121 provides that it is unlawful for any person, in connection with the sale or purchase of any security in this state directly or indirectly, (1) to employ any device, scheme, or artifice to defraud, (2) to make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, and/or (3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

25. The averments in paragraphs seven - twenty of this Consent Order, constitute practices by Doyle which would provide grounds under Tenn. Code Ann. §48-2-109 for the entry of an order of sanctions against Doyle.

26. The averments in paragraphs seven - twenty of this Consent Order, constitute practices by Doyle which would provide grounds under Tenn. Code Ann. § 48-2-121 for the entry of an order of sanctions against Doyle.

27. The averments in paragraphs seven - twenty of this Consent Order, constitute practices by Doyle which would provide grounds under Tenn. Code Ann. § 48-2-104 for the entry of an order of sanctions against Doyle.

### **ORDER**

**NOW, THEREFORE**, on the basis of the foregoing, and Patrick Doyle's waiver of his right to a hearing and appeal under the Tennessee Securities Act and Tennessee's Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 et seq., and Patrick Doyle's admission of jurisdiction of the Commissioner, the Commissioner finds that Patrick Doyle for the purpose of settling this matter, although neither admitting nor denying the matters herein, has agreed to the entry of this Order and that the following Order is appropriate, in the public interest and necessary for the protection of investors.

**IT IS ORDERED**, pursuant to Tennessee Code Annotated § 48-2-116(a) of the Tennessee Securities Act that:

1. Patrick Doyle shall fully comply with the Tennessee Securities Act, as amended, and all rules promulgated thereunder;
2. Patrick Doyle shall cease and desist in the further conduct as a broker-dealer and/or as an agent for a broker-dealer from or in the State of Tennessee until such time as he is effectively registered with the Division to engage in such activity. Patrick Doyle shall cease and desist from the sale or offer to sell securities from, in, or into the State of Tennessee until such time as the security is registered with the Division or is declared to be exempt by the Division.

3. It is ordered that should Patrick Doyle seek registration with the Division as a broker-dealer, agent of a broker-dealer, and/or investment adviser, the Respondent shall disclose on any Form U-4 filing or Form BD filing, pursuant to the instructions of said forms and as required by the NASD, the details of this filed administrative action.

4. The Respondent, Patrick Doyle, shall cease and desist from the offer to sell, the sale, or from the issuance of investment contracts or any other security related to Big International and/or the Omega Fund until such time as the security is registered with the Division or is declared to be exempt from registration by the Division.

5. The Respondent, Patrick Doyle, shall cease and desist, from and in the State of Tennessee, in making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading as related to the sale or offer to sell securities.

6. Respondent, Patrick Doyle, hereby agrees that his failure to comply with all the requirements and prohibitions contained in this Order shall result in the denial of any application by Respondent, Patrick Doyle, for registration or licensure with or through the Department of Commerce and Insurance for the State of Tennessee.

**IT IS ORDERED** that this Order represents the complete and final resolution of, and discharge with respect to all administrative and civil, claims, demands, actions and causes of action by the Commissioner against Patrick Doyle for violations of the Act alleged by the Tennessee Securities Division to have occurred with respect to the facts stated herein.

This Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is

for settlement purposes only. By the signature affixed below, Patrick Doyle affirmatively states that he has freely agreed to the entry of this Consent Order, that he waives his right to a hearing on the matters underlying this Consent Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

ENTERED this 30 day of September, 2004.

Paula A. Flowers  
Paula A. Flowers, Commissioner  
Department of Commerce and Insurance  
Date: October 25, 2004

**APPROVED FOR ENTRY:**

Patrick Doyle  
Patrick Doyle

Daphne D. Smith  
Daphne D. Smith,  
Assistant Commissioner for Securities  
Department of Commerce and Insurance

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