



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )  
 )  
KIRK URICK, ) Case No. AP-19-20  
 )  
 )  
Respondent. )

**SECOND AMENDED CONSENT ORDER**

1. The Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“Enforcement Section”), through Securities Enforcement Counsel Steven Kretzer, has alleged that Kirk Urick (“Respondent”), violated Sections 409.3-301, and 409.5-501 RSMo. (2016)<sup>1</sup>, by offering and selling unregistered, non-exempt securities in and/or from the State of Missouri. This violation constitutes grounds to issue an order pursuant to Section 409.6-604.
2. Respondent and the Enforcement Section desire to settle the allegations and the matters raised by the Enforcement Section relating to the Respondent’s alleged violations of Sections 409.3-301, and 409.5-501.
3. Respondent and the Enforcement Section entered into a Consent Order, which was approved by the Commissioner on November 1, 2019. Thereafter, the Enforcement Section learned of additional Missouri investors who invested with Respondent. This Second Amended Order is intended to address the discrepancy found in the Amended Order relating to the amount invested by MR2 in paragraph 15(b).

**CONSENT TO JURISDICTION**

4. Respondent and the Enforcement Section stipulate and agree that the Missouri Commissioner of Securities (“the Commissioner”) has jurisdiction over Respondent and these matters pursuant to the Missouri Securities Act of 2003, Chapter 409 *et seq.*
5. Respondent and the Enforcement Section stipulate and agree that the Commissioner has authority to enter this Order pursuant to Section 409.6-604(h), which provides:

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<sup>1</sup> Unless otherwise noted, all statutory references are to the 2016 Revised Statutes of Missouri.

“The commissioner is authorized to issue administrative consent orders in the settlement of any proceeding in the public interest under this act.”

#### WAIVER AND EXCEPTION

6. Respondent waives Respondent’s rights to a hearing with respect to this matter.
7. Respondent waives any rights that Respondent may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order. Respondent specifically forever releases and holds harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner of Securities, and their respective representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter.
8. Respondent stipulates and agrees with the Enforcement Section that, should the facts contained herein prove to be false or incomplete, the Enforcement Section reserves the right to pursue any and all legal or administrative remedies at its disposal.

#### CONSENT TO COMMISSIONER’S ORDER

9. Respondent and the Enforcement Section stipulate and agree to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein.
10. Respondent agrees not to take any action or to make or permit to be made any public statement creating the impression that this Order is without factual basis. Nothing in this paragraph affects Respondent’s (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Commissioner is not a party; or (c) right to make public statements that are factual.
11. Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.
12. Respondent neither admits nor denies the allegations made by the Enforcement Section, but consents solely for the purpose of this matter only and not for any other matter, to the Commissioner’s Findings of Fact, Conclusions of Law, and Order as set forth below solely for the purposes of resolving this proceeding and any proceeding that may be brought to enforce the terms of this Consent Order.

#### COMMISSIONER’S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

##### I. FINDINGS OF FACT

13. Kirk Urick (“Urick”) is a 65 year-old Blue Springs, Missouri resident with a last known address of 1113 NW Hawk Creek Drive, Blue Springs, MO 64015.

14. Beginning sometime in 2006, Urick began soliciting money from individuals to patent and market an automotive device.
15. Urick was successful in attracting investments, including 13 Missouri investors. The total invested and the date of the last of multiple investments by some investors are as follows:
  - a. MR1 invested \$3,700 on October 19, 2006;
  - b. MR2 invested \$10,500 on January 16, 2007;
  - c. MR3 invested \$19,750 on February 9, 2006;
  - d. MR4 invested \$20,500 on September 1, 2007;
  - e. MR5 invested \$8,000 on March 7, 2006;
  - f. MR6 invested \$5,000 on February 17, 2006;
  - g. MR7 invested \$3,700 on October 19, 2006;
  - h. MR8 invested \$3,000 on March 2, 2008;
  - i. MR9 invested \$29,000 on March 25, 2008;
  - j. MR10 invested \$18,600 on August 23, 2004;
  - k. MR11 invested \$11,800 on August 27, 2004;
  - l. MR12 invested \$6,000 on January 28, 2005;
  - m. MR13 invested \$6,425 on July 8, 2008; andfor a total investment of \$145,975.
16. Urick issued profit sharing agreements to investors in the form of Joint Venture Agreements for a share of the future earnings from the patent.
17. At all times relevant, there was no registration, granted exemption, or notice filing indicating status as a “federal covered security” for any securities issued by Urick.
18. On or about May 29, 2007, Urick registered a patent and trademarked a name in a device entitled “Automatic Remote Retractable Mirrors”, patent number US 7,224,265 B2.
19. For multiple years after the investments were made, Urick made numerous false statements to investors regarding earnings generated from the patent, the existence of contracts with major car manufacturers, and the existence of payments that were caught in some manner

of process that obstructed the issuance to investors. Urick sent the following messages to MR4:

- a. September 2012: “we received verbal conformation [sic] that we achieved the certification necessary to finally sell our product. Documentation should be here today. I do have many customers waiting in line for this certification”;
- b. October 14, 2015: “my attorney tells me we’ll be wrapped up with this on Friday and Monday or Tuesday you’ll start getting your money.”;
- c. December 16, 2015: “we’re trying to get it done before Christmas. At that time, I will also pay off the loan. You will be one of the first ones paid...”;
- d. July 15, 2016: “PAYCOR is trying to get these checks out today. As you know there have been issues but I think they are all resolved...”;
- e. September 9, 2016: “You will get a check from PAYCOR. It will be mailed this week possibly today. And this will be the last time we use PAYCOR...”;
- f. November 28, 2016: “Unfortunately because of the Thanksgiving holiday and Bank of America system cyber issues, everything we need to finish is scheduled Monday. I am still trying to transfer funds to the proper account and have had to change passwords and two user names twice during the past three days. Everyone was out of town so we were in limbo. Bank of America Account #0788 will be funded and I will forward it to you in the morning. I believe you’ll have your check Wednesday evening.”;
- g. March 13, 2017: “We are distributing Wednesday. I’ll bring yours to you in an envelope.”;
- h. March 31, 2017: “Now we cut checks...”;
- i. October 27, 2017: “For reasons unforeseen, I have to have a different signer on the checks including myself. And the person that will be doing this will be going into [sic] sign the check card at the bank Monday morning and I should be able to get the checks delivered to you personally on Monday afternoon...”;
- j. May 2, 2018: “...I’m sorry. I am intending paying you back with extra amount. Soon.”;
- k. June 7, 2018: “...I’m working on getting you paid right now.”;
- l. September 21, 2018: “I truly 100% believe that Tuesday afternoon these checks will be in your hands.”;
- m. July 19, 2019: “In a perfect world I should be able to deposit those funds on

Saturday morning. Possibly on Monday morning.” ; and

- n. August 12, 2019: “Tomorrow at noon I’ll bring you a check...”.
20. In fact, the patent has not now, nor ever, generated income, and no such contracts ever existed with any automotive company that would generate any return to investors under the profit sharing agreements.

## II. CONCLUSIONS OF LAW

21. The Commissioner finds that Respondent issued and sold unregistered, non-exempt securities in violation of Section 409.3-301 and that this conduct constitutes grounds to issue an order pursuant to Section 409.6-604.
22. The Commissioner finds that Respondent made multiple misrepresentations in connection with the sale of a security in violation of Section 409.5-501 and that this conduct constitutes grounds to issue an order pursuant to Section 409.6-604.
23. The Commissioner, after consideration of the stipulations set forth above and on the consent of Respondent and the Enforcement Section, finds and concludes that the Commissioner has jurisdiction over Respondent and this matter and that the following Order is in the public interest, necessary for the protection of public investors and consistent with the purposes intended by Chapter 409, RSMo.

## III. ORDER

**NOW, THEREFORE,** it is hereby Ordered that:

24. Respondent, its agents, employees and servants, and all other persons participating in the above-described alleged violations with knowledge of this order are permanently enjoined and restrained from engaging in violations of Sections 409.3-301 and 409.5-501.
25. Respondent shall pay civil penalties in the amount of \$10,000 for more than one violation of Sections 409.3-301, and 409.5-501. This amount shall be made payable to the State of Missouri. 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 W. Main Street, Jefferson City, Missouri 65101. This amount will be suspended upon a showing that Respondent has made offers of rescission to investors and that the investors have been paid in full as described herein.
26. Respondent shall pay restitution in the amount of \$145,975 plus interest calculated at the rate of eight percent (8%) per annum from the date of sale of each security identified in paragraph 15 above. 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 the investors listed in the Second Amended

Exhibit A. This amount shall be sent to the Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101. This amount shall be suspended upon a showing that Respondent has made offers of rescission to investors and that the investors have been paid in full as described herein. These rescission payments shall be made by December 31, 2020. Any investor opting not to rescind their investment shall be removed from this order of restitution.

27. Respondent shall pay to the Missouri Secretary of State's Investor Education and Protection Fund the sum of \$5,000. This shall be payable to the Missouri Secretary of State's Investor Education and Protection Fund. This amount shall be sent to the Missouri Securities Division at 600 W. Main Street, Jefferson City, Missouri 65101. This amount will be suspended upon a showing that Respondent has made offers of rescission to investors and that the investors have been paid in full as described herein.
28. No later than January 31, 2020<sup>2</sup>, Respondent shall complete a comprehensive review of all transactions involving the sale of securities in the form of notes, stock, shares, interests, contracts and agreements in the patent described herein and provide the Missouri Securities Division with a list of all investors including contact information and copies of all final contracts and documents.
29. Consistent with this Order and Section 409.5-510 RSMO (2016), 15 CSR 30-52.260 and all applicable laws and regulations, Respondent shall offer to repurchase all securities sold to investors and shall pay restitution where the investor elects to rescind the sale. The repurchase price or restitution amount shall be determined by the sale price plus interest at 8% from the date of sale set forth in paragraph 15 above.
30. Respondent shall memorialize each offer in a letter (the "Offer Letter") explaining to investors that the sale of securities was made without being properly registered or exempt from registration and that pursuant to an Order from the Commissioner of the Missouri Securities Division an offer to rescind the sale is being made and an offer to repurchase is being made. The purchase price shall be set forth in each letter. The final Offer Letter to each investor with the calculation of interest must be approved by the Missouri Securities Division.
31. Each Offer Letter shall be delivered to the offeree's last known mailing address as maintained in Respondent's records in a way that enables confirmation of delivery.
32. Each Offer Letter shall clearly state the terms of the offer and shall provide 1. The steps required to accept the offer, 2. The deadline for acceptance, and 3. Contact information for Respondent where additional information can be obtained.
33. The Offer Letter shall state the offer will remain open for a period of sixty (60) days from the date it is sent to the offeree.

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<sup>2</sup> As of March 11, 2020, Respondent has complied and met the due date set forth in the Amended Consent Order referenced in paragraph 28.

34. In the event an offeree cannot be located in order to confirm delivery of the Offer Letter, Respondent may request the Missouri Securities Division to locate a mailing address for the undeliverable Offer Letter.
35. The Offer Letter shall be delivered to each investor no later than February 29, 2020<sup>3</sup>.
36. Upon Respondent's failure to comply with the terms of this Consent Order, all remaining payments shall become immediately due and payable upon operation of law, and such immediately due payments shall be in addition to all other penalties then available under the law.
37. Respondent shall pay its own costs and attorneys' fees with respect to this matter.

**SO ORDERED:**

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,  
MISSOURI THIS 13<sup>th</sup> DAY OF MARCH, 2020.



JOHN R. ASHCROFT  
SECRETARY OF STATE

  
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DAVID M. MINNICK  
COMMISSIONER OF SECURITIES

Consented to by:  
MISSOURI SECURITIES DIVISION

  
\_\_\_\_\_  
STEVEN M. KRETZER  
SECURITIES ENFORCEMENT COUNSEL

  
\_\_\_\_\_  
KIRK URICK

<sup>3</sup> As of March 11, 2020, Respondent has complied and met the due date set forth in the Amended Consent Order referenced in paragraph 35.



STATE OF MISSOURI  
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF: )

KIRK URICK )

*Respondent.* )

Case No. AP-19-20

**SECOND AMENDED EXHIBIT A - STATEMENT OF PENALTIES, MONETARY FINE, & RESTITUTION**

Petitioner seeks the following in the above styled action against Respondent Kirk Urick as follows:

<b>1</b>	<b>PENALTIES - (Suspended upon a showing of rescission offers to investors)</b>	<b>AMOUNT</b>
<input type="checkbox"/> a.	Unregistered, Non-Exempt Securities - 409.3-301; General Fraud - 409.5-501	\$ 10,000.00
	<b>TOTAL PENALTIES</b>	<b>\$ 10,000.00</b>
<b>2</b>	<b>MONETARY FINE - (Suspended upon a showing of rescission offers to investors)</b>	
<input type="checkbox"/> a.	Investor Education and Protection Fund	\$ 5,000.00
	<b>TOTAL COSTS</b>	<b>\$ 5,000.00</b>
<b>3</b>	<b>RESTITUTION - plus interest at 8% annum from date invested to 1/31/2020 (Suspended upon a showing of rescission offers to investors)</b>	
<input type="checkbox"/> a.	MR1 (date invested: 10/19/2006)	\$ 3,700.00
	Interest accrued at 8% annum from 10/19/06-01/31/2020	\$ 3,934.77
<input type="checkbox"/> b.	MR2 (date invested: 01/16/2007)	\$ 10,500.00
	Interest accrued at 8% annum from 01/16/2007-01/31/2020	\$ 10,961.42
<input type="checkbox"/> c.	MR3 (date invested: 02/09/2006)	\$ 19,750.00
	Interest accrued at 8% annum from 02/09/2006-01/31/2020	\$ 21,003.18
<input type="checkbox"/> d.	MR4 (date invested: 09/01/2007)	\$ 20,500.00
	Interest accrued at 8% annum from 09/01/2007-01/31/2020	\$ 21,800.77
<input type="checkbox"/> e.	MR5 (date invested: 03/07/2006)	\$ 8,000.00
	Interest accrued at 8% annum from 03/07/2006-01/31/2020	\$ 8,507.62
<input type="checkbox"/> f.	MR6 (date invested: 02/17/2006)	\$ 5,000.00
	Interest accrued at 8% annum from 02/17/2006-01/31/2020	\$ 5,317.26
<input type="checkbox"/> g.	MR7 (date invested: 10/19/2006)	\$ 3,700.00
	Interest accrued at 8% annum from 10/19/2006-01/31/2020	\$ 3,934.77
<input type="checkbox"/> h.	MR8 (date invested: 03/02/2008)	\$ 3,000.00
	Interest accrued at 8% annum from 03/02/2008-01/31/2020	\$ 2,861.59
<input type="checkbox"/> i.	MR9 (date invested: 03/25/2008)	\$ 29,000.00
	Interest accrued at 8% annum from 03/25/2008-01/31/2020	\$ 27,515.84
<input type="checkbox"/> j.	MR10 (date invested: 08/23/2004)	\$ 18,600.00

	Interest accrued at 8% annum from 08/23/2004-01/31/2020	\$	22,988.58
<input type="checkbox"/> k.	MR11 (date invested: 08/27/2004)	\$	11,800.00
	Interest accrued at 8% annum from 08/27/2004-01/31/2020	\$	14,573.81
<input type="checkbox"/> l.	MR12 (date invested: 01/28/2005)	\$	6,000.00
	Interest accrued at 8% annum from 01/28/2005-01/31/2020	\$	7,207.89
<input type="checkbox"/> m.	MR13 (date invested: 07/08/2008)	\$	6,425.00
	Interest accrued at 8% annum from 07/08/2008-01/31/2020	\$	5,948.32
	<b>TOTAL RESTITUTION</b>	<b>\$</b>	<b>302,530.82</b>
	<b>GRAND TOTAL PENALTIES, COSTS, &amp; RESTITUTION</b>	<b>\$</b>	<b>317,530.82</b>

Respectfully submitted, this 11<sup>th</sup> day of March, 2020.

**THE ENFORCEMENT SECTION OF THE  
MISSOURI SECURITIES DIVISION**

*Kristy Engelbrecht*

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