

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 65997 / December 16, 2011**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14672**

**In the Matter of**  
  
**RICHARD DALTON,**  
  
**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 Richard Dalton (“Respondent” or “Dalton”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A. RESPONDENT**

1. Dalton, age 65, is a resident of Golden, Colorado. During the time period in which he engaged in the conduct underlying the complaint described below, Dalton was the Director of Finance, General Manager, and sole employee of Universal Consulting Resources LLC (“UCR”). Dalton and UCR are not registered with the Commission as a broker or dealer and have never have been associated with a broker or dealer registered with the Commission.

B. ENTRY OF THE INJUNCTION

1. On December 1, 2011, the United States District Court for the District of Colorado entered an order permanently enjoining Respondent from future violations of Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”), and 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. Richard Dalton, et al., Civil Action Number 1:10-cv-2794-REB. On December 8, 2011, the United States District Court entered a default judgment against Dalton that also permanently enjoined him from future violations of Sections 5 and 17(a) of the Securities Act, and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder.

2. The Commission’s complaint alleged that during the period beginning in March 2007 and continuing through at least June 2010, Dalton offered and sold securities in the form of investments contracts known as the “Trading Program” and the “Diamond Program.” Dalton told investors that funds in the Trading Program would be held in an escrow account in a U.S. bank and that a European trader used the value of that account as leverage to purchase and sell bank notes. He told investors that the Diamond Program generated profits from the trading of financial interests and the sale of precious stones that UCR purchased in foreign countries. Dalton repeatedly assured investors that their funds would be completely safe and could be returned whenever they requested. According to the Commission’s complaint, Dalton sold securities in unregistered transactions, acted as an unregistered broker or dealer, misappropriated investors’ funds, and engaged in a variety of fraudulent conduct. The complaint alleged that Dalton raised approximately \$17 million from 130 investors.

3. The December 1, 2011 order of the District Court included the following findings of fact: Dalton routinely provided investors with false and materially misleading information about their investments and told investors that the investment contracts would earn annual profits ranging from 48% to 120%. In fact, Dalton was operating a Ponzi scheme and used at least \$2.5 million in investors’ funds for his personal benefit or for the benefit of family members. The District Court held in the Order that Dalton sold securities in unregistered transactions, acted as an unregistered broker or dealer in connection with the offer and sale of securities, and engaged in a variety of conduct which operated as a fraud and deceit on investors.

**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 hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

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.

Elizabeth M. Murphy  
Secretary