

COPY

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING, SECURITIES, AND CORPORATIONS
P.O. BOX 110807
JUNEAU, ALASKA 99811-0807

In the Matter of: Robert Beans, Sr. Respondent) ALASKA ORDER #04-01 S 105
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CONSENT AGREEMENT WITH ROBERT BEANS

I. ALLEGATIONS OF FACT

1. The Division of Banking, Securities, and Corporations (the division), is responsible for administering the Alaska Securities Act (the Act) at AS 45.55 and regulations adopted under the Act at 3 AAC 08.

2. Robert Beans (Beans) is a shareholder of Calista Corporation (Calista) which is organized under the Alaska Native Claims Settlement Act (ANCSA) and is subject to the requirements of AS 45.55.139 and pertinent regulations due to its having more than 500 shareholders and assets exceeding \$1,000,000. Beans' mailing address is Post Office Box 2426, Bethel, AK 99559.

3. Beans ran in 2003 as an independent candidate for the board of directors of Calista. The statute at AS 45.55.139 requires proxy solicitation materials to be filed with us concurrent with distribution to shareholders. His April 9, 2003 proxy statement was filed with us on April 14, 2003.

4. Beans also took out ads in the Delta Discovery newspaper to promote his campaign. We can find no record of these ads, published on April 30, 2003 and May 7, 2003, being filed with our division.

5. Calista filed a May 22, 2003 complaint alleging that Beans made materially false and misleading statements in violation of 3 AAC 08.315 in these ads and failed to file them

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1 with us in violation of AS 45.55.139. A letter was sent to Calista on July 14, 2003 informing
2 it that we did not find that Beans violated 3 AAC 08.315.

3 II. FINDINGS

4 6. AS 45.55.139 mandates that a copy of all "...materials relating to proxy
5 solicitations ...be filed with the administrator concurrently with its distribution to
6 shareholders." Beans and Calista do not dispute that the advertisements supporting
7 Beans' proxy campaign were not filed with us.

8 7. The division concludes that Beans violated the Act by not filing a copy of the ads
9 he placed with the Delta Discovery.

10 III. CONSENT AGREEMENT

11 8. The division finds it in the public interest to settle this matter in an expeditious
12 manner and avoid the costs of a hearing. It hereby enters into this consent agreement
13 under the terms and conditions stated in this agreement.

14 9. Robert Beans, Sr. desires to settle this matter in an expeditious manner and avoid
15 the costs of a hearing. He enters into this consent agreement under the terms and
16 conditions stated in this consent agreement.

17 10. Beans accepts and acknowledges the facts stated in this consent agreement.

18 11. Beans neither admits nor denies the allegation that he violated AS 45.55.139 but
19 enters into this consent agreement in the interest of economy of time and resources.

20 12. Under AS 45.55.920(a)(1)(A), Beans agrees to cease and desist from the
21 activities described in this consent agreement that the Division asserts are violations of the
22 Alaska Securities Act and regulations. He also agrees to cease and desist from any future
23 conduct that would violate any provision of the Act.

24 13. Under AS 45.55.920(c), Beans agrees to pay \$100 to the division towards the
25 costs of its investigation. Of this amount, \$50 is suspended until Beans becomes a

1 respondent under a future order by this division.

2 14. Respondent Beans knowingly waives his right for an opportunity to a hearing with
3 respect to this consent agreement.

4 15. The division agrees that this consent agreement is a final settlement of Beans'
5 liability under the Act and its regulations for civil penalties relating to his proxy solicitations
6 as alleged in this consent agreement.

7 16. This consent agreement shall remain in full force and effect and binding until it is
8 vacated by further order of the administrator, or amended by mutual agreement of the
9 parties.

10 17. This consent agreement is being executed in two original documents.

11 18. Issued at Juneau the 1 day of August, 2003.

12
13 08/01/03

14 Date

/s/ Mark R. Davis

Mark R. Davis
Administrator of Securities

15
16 07/25/03

17 Date

/s/ Robert Beans Sr.

Robert Beans, Sr.

18
19 Contact Person:

20 Eileen Buchanan
Securities Examiner
21 907/465-2521