STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102

In the Matter of:

Sierra Rarities, Inc. and
Marc Kelly Baker,

Respondents. ODS File No. 09-118

NOTICE OF SERVICE ON THE ADMINISTRATOR
AND
AFFIDAVIT OF COMPLIANCE

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities ("Department").

2. That the attached copies of the *Order to Cease and Desist and Notice of Opportunity for Hearing* ("*Order and Notice*") were delivered to Affiant in the office of the Administrator of the Department ("Administrator") pursuant to Section 1-611 of the Oklahoma Uniform Securities Act ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009).

3. That the Administrator has received service of process on behalf of Respondents pursuant to Section 1-611 of the Act.

4. That a copy of the *Order and Notice*, and a copy of this *Notice of Service on the Administrator and Affidavit of Compliance,* are being sent this 30th day of September, 2010, by certified mail, return receipt requested, delivery restricted to addressee, to the last known address of Respondents, in compliance with Section 1-611 of the Act.

5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 1-611 of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 30th day of September, 2010.

(SEAL)

Irving L. Faught, Administrator

Subscribed and sworn to before me this 30th day of September, 2010.

Notary Public

NOTARY PUBLIC SEAL
BRENDA LONDON
Notary Public
State of Oklahoma
Commission # 05009046 Expires 09/28/13

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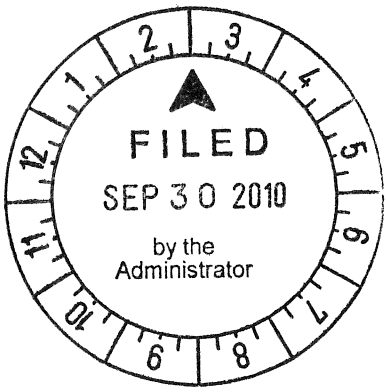

In the Matter of:

Sierra Rarities, Inc. and
Marc Kelly Baker,

Respondents.

ODS File No. 09-118

ORDER TO CEASE AND DESIST AND NOTICE OF OPPORTUNITY FOR HEARING

Order to Cease and Desist

Pursuant to the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2009), an investigation was conducted by the Enforcement Division of the Oklahoma Department of Securities ("Department") into the activities of Sierra Rarities, Inc. and Marc Kelly Baker (collectively, the "Respondents"), in connection with the offer and/or sale of interests in a pooled investment program in and/or from the state of Oklahoma.

Findings of Fact

1. At all times material hereto, Sierra Rarities, Inc. ("Sierra") was a Nevada corporation, with its principal place of business in New Mexico.

2. At all times material hereto, Marc Kelly Baker ("Baker") controlled Sierra. Baker is not, and at all times material hereto was not, registered in any capacity under the Act.

3. As early as 2005, Baker engaged in the offer and/or sale in and/or from Oklahoma of interests in a pooled investment program described to investors as the Tangible Asset Program ("TAP") issued by Sierra (the "TAP Interests"). Baker represented to investors that investor money would be pooled and used to purchase and sell gold and platinum based on Sierra's market timing strategy involving sets of fixed ratios of gold to platinum market prices.

4. Baker offered and/or sold the TAP Interests to at least thirty-nine Oklahoma residents in or about May of 2005 through August of 2008.

5. Sierra and Baker have received in excess of Three Hundred Thousand Dollars ($300,000.00) from Oklahoma resident purchasers of the TAP Interests.

6. Sierra and Baker used money from investors to pay personal expenses and to make payments of purported profits to other investors. When receipt of money from investors declined, the investment scheme collapsed. Checks to investors for purported profits were returned to the investors for insufficient funds by Respondents' banks.

7. The Tap Interests were not registered under the Act.

To the extent any of these Findings of Fact should be considered Conclusions of Law, they should be so considered.

Authorities

1. Section 1-102 of the Act provides in pertinent part:

> 2. "Agent" means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities. A partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status or performing similar functions is an agent only if the individual otherwise comes within the term. The term does not include an individual excluded by rule adopted or order issued under this act;
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> 19. "Issuer" means a person that issues or proposes to issue a security[.]
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> 32. "Security" means a ....certificate of interest or participation in a profit-sharing agreement;...investment contract; ... The term:
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> > d. includes as an "investment contract" an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor and a "common enterprise" means an enterprise in which the fortunes of the investor are interwoven with those of either the person offering the investment, a third party, or other investors,
> >
> > * * *

f. includes an investment of money or money's worth including goods furnished or services performed in the risk capital of a venture with the expectation of some benefit to the investor where the investor has no direct control over the investment or policy decision of the venture[.]

2. Section 1-301 of the Act provides:

It is unlawful for any person to offer or sell a security in this state unless:

1. The security is a federal covered security;

2. The security, transaction, or offer is exempted from registration under Sections 6 through 8 of this act [Sections 1-201 through 1-203 of this title]; or

3. The security is registered under this act.

3. Section 1-402 of the Act provides in pertinent part:

A. It is unlawful for an individual to transact business in this state as an agent unless the individual is registered under this act as an agent or is exempt from registration as an agent under subsection B of this section.

* * *

D. It is unlawful for a broker-dealer, or an issuer engaged in offering, selling, or purchasing securities in this state, to employ or associate with an agent who transacts business in this state on behalf of broker-dealers or issuers unless the agent is registered under subsection A of this section or exempt from registration under subsection B of this section.

4. Section 1-501 of the Act provides:

It is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly:

1. To employ a device, scheme, or artifice to defraud;

2. To make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it is made, not misleading; or

3. To engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

5. Section 1-602 of the Act provides in pertinent part:

A. The Administrator may:

1. Conduct public or private investigations within or outside of this state which the Administrator considers necessary or appropriate to determine whether a person has violated, is violating, or is about to violate this act or a rule adopted or order issued under this act, or to aid in the enforcement of this act or in the adoption of rules and forms under this act[.]

6. Section 1-604 of the Act provides in pertinent part:

A. If the Administrator determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice or that a person has materially aided, is materially aiding, or is about to materially aid in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice, the Administrator may:

1. Issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to take other action necessary or appropriate to comply with this act[.]

B. An order under subsection A of this section is effective on the date of issuance. Upon issuance of the order, the Administrator shall promptly serve each person subject to the order with a copy of the order and a notice that the order has been entered. The order must include a statement whether the Administrator will seek a civil penalty or costs of the investigation, a statement of the reasons for the order, and notice that, within fifteen (15) days after receipt of a request in a record from the person, the matter will be scheduled for a hearing and the hearing shall be commenced within fifteen (15) days of the matter being set for hearing. If a person subject to the order does not request a hearing and none is ordered by the Administrator, within thirty (30) days after the date of service of the order, the order, that may include a civil penalty or costs of the investigation if a civil penalty or costs were sought in the statement accompanying the order, becomes final as to that person by operation of law. If a hearing is requested or ordered, the Administrator, after notice of and opportunity for hearing to each person subject to the order, may modify or vacate the order or extend it until final determination.

C. If a hearing is requested or ordered pursuant to subsection B of this section, a hearing must be held pursuant to the Administrative Procedures

Act. A final order may not be issued unless the Administrator makes findings of fact and conclusions of law in a record in accordance with the Administrative Procedures Act. The final order may make final, vacate, or modify the order issued under subsection A of this section.

D. In a final order under subsection C of this section, the Administrator may impose a civil penalty up to a maximum of Five Thousand Dollars ($5,000.00) for a single violation or up to Two Hundred Fifty Thousand Dollars ($250,000.00) for multiple violations in a single proceeding or a series of related proceedings.

E. In a final order, the Administrator may charge the actual cost of an investigation or proceeding for a violation of this act or a rule adopted or order issued under this act[.]

Conclusions of Law

1. The Tap Interests are securities as defined by Section 1-102 of the Act.

2. Respondents offered and/or sold unregistered securities in and/or from the state of Oklahoma, in violation of Section 1-301 of the Act.

3. Baker transacted business in and/or from this state as an unregistered agent, in violation of Section 1-402 of the Act.

4. Sierra was the issuer of the securities.

5. Sierra employed unregistered agents who transacted business in and/or from this state on behalf of Sierra, in violation of Section 1-402 of the Act.

6. Respondents engaged in acts, practices, and a course of business that operated as a fraud or deceit upon other persons in connection with the offer and/or sale of securities in violation of Section 1-501 of the Act.

7. The Administrator has the authority to order Respondents to cease and desist from engaging in any act, practice, or course of business constituting a violation of the Act.

8. It is in the public interest to order Respondents to cease and desist from engaging in an act, practice, or course of business constituting a violation of the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

Order

Based on Section 1-604 of the Act and the Findings of Fact, Authorities, and Conclusions of Law set forth above, IT IS HEREBY ORDERED that Respondents immediately cease and desist from engaging in any act, practice, or course of business constituting a violation of the Act or a rule adopted or order issued under the Act to include, offering and selling unregistered securities, employing unregistered agents, acting as an unregistered agent and/or engaging in acts, practices, and a course of business that operates as a fraud or deceit upon other persons in connection with the offer and/or sale of securities.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 30th of September, 2010.

(SEAL)

IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

Notice of Opportunity for Hearing

Pursuant to Section 1-604 of the Act, the Administrator hereby gives notice to Respondents of their right to request a hearing. The request for hearing must be received by the Administrator within thirty (30) days after service of the Order to Cease and Desist (Order). The request for hearing must be in writing and Respondents shall specifically admit or deny each allegation that is contained in the Order.

Within fifteen (15) days after receipt of a request for hearing from Respondents, this matter will be scheduled for hearing. The hearing shall commence within fifteen (15) days of the matter being set for hearing. Notice of the date, time and location of the hearing shall be given to Respondents. If a hearing is requested, the Administrator, after notice of and opportunity for hearing, may modify or vacate the Order or extend it until final determination.

If Respondents do not request a hearing within thirty (30) days after the date of service of the Order and none is ordered by the Administrator, the Order becomes final as to Respondents by operation of law.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 30th day of September, 2010.

(SEAL)

IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 30th day of September, 2010, a true and correct copy of the above and foregoing *Order to Cease and Desist and Notice of Opportunity for Hearing* was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon addressed to:

Sierra Rarities, Inc.
101 Convention Center Drive
Las Vegas, NV 89109

Marc Kelly Baker
101 Convention Center Drive
Las Vegas, NV 89109

Brenda London

Brenda London, Paralegal