

STATE OF MAINE  
OFFICE OF SECURITIES  
121 STATE HOUSE STATION  
AUGUSTA, MAINE 04333

\_\_\_\_\_) )  
IN THE MATTER OF: ) )  
 ) ) CONSENT AGREEMENT  
Liberty Investment Advisors ) )  
And ) ) No. 06-079-CAG  
Richard Liberty ) )  
 ) )  
\_\_\_\_\_) )

This Agreement is entered into by the State of Maine Office of Securities (the "Office"), Liberty Investment Advisors ("LIA") (CRD#121349) and Richard A. Liberty ("Liberty") (CRD#844673).

**WHEREAS**, the parties agree as follows:

1. LIA is a corporation formed under the laws of Maine with a principal place of business at 23 North Raymond Road, Gray, Maine 04039.
2. LIA has been licensed in Maine as an investment adviser since at least August 16, 1994.
3. Since at least September of 2002, Liberty has been an investment adviser representative of LIA in Maine.
4. However, at no time has Liberty been licensed as an investment adviser representative or exempt from licensing in Maine.
5. Since September 30, 2002, it has been unlawful for a person to transact business in Maine as an investment adviser representative unless licensed or exempt from licensing. 32 M.R.S.A. §§ 10303(1), 16404(1), 16702(3).
6. Also since September 30, 2002, it has been unlawful for an investment adviser to employ or associate with an individual as an investment adviser representative in Maine unless the individual is licensed or exempt from licensing. 32 M.R.S.A. §§ 10303(4), 16403(4), 16702(3).
7. It is the Office's position that Liberty violated the Revised Maine Securities Act and the Maine Uniform Securities Act by transacting

business as an investment adviser representative in Maine without being licensed or exempt from licensing.

8. Furthermore, it is the Office's position that LIA violated the Revised Maine Securities Act and the Maine Uniform Securities Act by employing or associating with Liberty without properly licensing him as an investment adviser representative.
9. LIA and Liberty have represented to the Office that they did not intend to violate either the Revised Maine Securities Act or the Maine Uniform Securities Act.
10. All parties desire an expeditious resolution to this matter.

**NOW THEREFORE**, without trial or adjudication of any issue of fact or law, and without LIA and Liberty admitting or denying that their conduct violated the Revised Maine Securities Act or the Maine Uniform Securities Act, it is agreed that:

1. LIA and Liberty will comply with all licensing and other legal requirements governing investment advisers and investment adviser representatives in the State of Maine at all times from the date hereof;
2. In lieu of the Office seeking the imposition of a penalty for the conduct addressed herein, LIA and Liberty, jointly and severally, will pay the sum of \$1,500.00, payable to "Treasurer, State of Maine," upon LIA's and Liberty's execution of this Agreement; and
3. The Office will not take further action against LIA and Liberty based solely upon the unlicensed status of Liberty during the period preceding and including the date of execution of this Agreement, **PROVIDED**, however, that this paragraph applies only to the unlicensed activity previously disclosed to the Office by LIA and Liberty.

By: Liberty Investment Advisors

July 20, 2006  
Date

s/Richard A. Liberty  
Richard A. Liberty  
President

July 20, 2006  
Date

s/Richard A. Liberty  
Richard A. Liberty

July 20, 2006  
Date

s/Michael Colleran  
Michael J. Colleran  
Securities Administrator

Reviewed by:

July 20, 2006  
Date

s/Bonnie E. Russell  
Bonnie E. Russell  
Assistant Securities Administrator

Submitted by:

July 20, 2006  
Date

s/Willis P. Smedberg  
Willis P. Smedberg  
Investigator/Examiner