

ORIGINAL

September 23, 2015



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Mr. Paul Kitchin  
Securities Division  
ARIZONA CORPORATION COMMISSION  
1300 West Washington, 3<sup>rd</sup> Floor  
Phoenix, AZ 85007

DOCKETED BY *kh*

Re: Docket No. S-20938A-15-0308

To Whom It May Concern,

This letter will serve to answer, and correct, a number of issues in the TEMPORARY ORDER TO CEASE AND DESIST AND NOTICE OF OPPORTUNITY FOR HEARING for the Docket number S-20938A-15-0308 filed on August 26, 2015.

My name is Bruce Orr, and my name appears in said filing as an Executive Member of USA Barcelona Realty Advisors LLC ("Barcelona"). While my name is not one of the more prominent ones in the filing, I am included with the other Executive Members, and am accused under the same issues. I would like to take this opportunity to clear up a number of things in the complaint that are clearly mistaken. In addition, I was called on the phone yesterday by Mr. Simmons, who is referenced in the complaint, and he indicated that there was a Subpoena for a Deposition attached with his copy of the complaint. He wanted to coordinate with me on what I would say in the deposition. I told him that I was not subpoenaed, and I was not going to defend what they had done. I have received no such Subpoena for a Deposition, but I would be happy to be deposed in this matter. I would appreciate if that could take place in Southern California, as it is expensive for me to travel to Phoenix.

I would like to address a number of issues in the complaint, and have my name removed from this complaint. In addition, everything that I will be placing in this letter can be confirmed by numerous witnesses, and a great deal of documentation. The things I will address in this letter can be confirmed by Ms. Connie Cooke, the Administrative Assistant for Barcelona; Mr. Glenn Ehler, Information Technology Consultant to Barcelona; and Mr. Jeffrey Teets, Chief Financial Officer of Barcelona.

In the opening paragraphs of the complaint it states that I was engaged in acts that violate A.R.S. § 44-1801, A.R.S. § 44-1999, and A.R.S. §44-1991. While I was an Executive Member of the company, and we were to address "Major Decisions," there was only one formal Executive Member meeting held during my term, and we did not address any "Major Decisions" at that meeting. The decisions of the company were made by Mr. Harkins and Mr. Simmons, for the most part. Mr. Harkins would say that there was no need for formal Executive Member meetings because he had discussed the matter with Mr. Simmons, and Mr. Simmons agreed with him. Thus, even if the other Executive Members disagreed, Mr. Harkins had the tie breaking vote (4 Executive Members) so his vote would decide the issue. This was most evident in a matter where I proposed a reorganization of the company to try and make it profitable, but Mr. Harkins would not even call a meeting because he and Mr. Simmons would not go along with a reorganization.

My position with Barcelona was strictly one of an advisor and consultant, as evidenced by my contract. I HOLD NO OWNERSHIP IN BARCELONA. I was to find viable development projects for the company to pursue. I presented a number of viable projects to the company, and requested, a number of times, to issue Letters of Intent on the projects. In each instance there was some reason that we could not pursue the project. Usually because Mr. Harkins did not want to put up Deposits. I am confident that the projects I brought forward were viable as at least four of them are being developed by myself or other developers at this time.

When it appeared Barcelona was not going to pursue the development projects presented I resigned in June of 2014. During my tenure at Barcelona I NEVER tried to market any investment opportunity. That was handled by Mr. Harkins, Mr. Simmons and Mr. Kerrigan. They even brought in two individuals to market the investments. I was exclude from most meetings where investments were discussed. I was told that I needed to find viable projects.

As far as the Offering Memorandum that were put forth by Barcelona, I had little input. Mr. Harkins would take my financial projections and proposals and put them into his format. When he produced his spreadsheets of financial projections he would add vast fees for Barcelona. When Mr. Teets, CFO, and I would question him about the unreasonable fees, we were reminded that he was doing the Offerings, and he was the President of the company. Thus, we had to have profitable projects that would support the fees.

Mr. Harkins started to have everyone look at the Offerings he was preparing. When Mr. Teets, myself or someone else would tell him they were unrealistic he would work on the Offerings by himself, and then decided that only he and Mr. Meka would be the ones making changes. Thus, everyone else was removed from the preparation of the offerings. This also led to the lesser involvement of Mr. Teets.

As far as financial issues are concerned, I must stress again that I DID NOT seek investors for the company, that was not my role. In fact, Barcelona asked to wait on paying my expenses, and then stopped paying my fees prior to my resignation. Barcelona still owes me in excess of \$10,000 in unpaid expenses and over \$70,000 in unpaid fees. In addition, Mr. Harkins asked all of the Executive Members to loan the company \$2,500 each to cover expenses in May of 2014. He said that funds would be returned within two weeks as Mr. Kerrigan was having the University of Wisconsin invest One Million

Dollars in the company. When I sent the funds, Mr. Teets prepared a check for the rent on the Barcelona offices. After Mr. Teets had left the office, Mr. Harkins had Ms. Cooke not send that check, and had her issue him a check for \$3,000, which had not been discussed with anyone. When I found out about this, weeks later, he said that he had to have the money to make his car payment. A note for the \$2,500 was subsequently issued to me with a maturity date of December 31, 2014. That note is still unpaid. It also turns out that I was the only Executive Member who made the requested loan to the company. It is possible, however, that Mr. Kerrigan made a loan at another time for these expenses.

I would like to address the following issues in the complaint:

Paragraph 5 – I am a married man.

Paragraph 12 – as stated previously, formal Executive Member meetings were not held, and Major Issues were decided by Mr. Harkins, along with Mr. Simmons and possibly with Mr. Kerrigan. “Major Issues” were never defined among the Executive Members, and never decided.

Paragraph 16 – I was never involved with Barcelona Land Company.

October 2012 Offering – starting at Paragraph 17 – I did not formally join Barcelona until mid-2013. This is prior to my joining the company. Prior to that I had a few discussions with Mr. Harkins and Mr. Simmons, but I was not a member of the company.

Paragraph 30 – I had no knowledge that Mr. Harkins involvement in Arizona Village Communities was a failed venture. They only referred to it as something he had done before.

Paragraph 32 – They disclosed to me that Mr. Meka had some past problems because of someone using his license and getting him in trouble. They told me it had all been taken care of through the courts, and that he satisfied his requirements. They did not disclose that he was convicted of a felony.

Paragraph 34 – I was unaware of Mr. Kerrigan’s judgement.

R.E. AND M.E. OFFERINGS – starting at paragraph 38 – these were all handled by Mr. Harkins, Mr. Simmons and Mr. Kerrigan. I NEVER made any offer to R.E., please check with him.

Paragraph 49 – I was never involved in the sale of any notes. I asked my Tax Advisor for his opinion on the offering and he said that he would not see advising any of his clients to do something like that. He felt that we should be doing single property projects, which I relayed to the company. Mr. Teets and I had been suggesting that we could only do single property projects for a number of months.

Paragraph 53 – I signed the letter because Mr. Harkins and Mr. Simmons told me that Mr. Kerrigan was having the University of Wisconsin invest One Million Dollars with Barcelona that would fund working capital and starting of projects.

JANUARY 2014 OFFERING – starting at paragraph 49 – I knew of the offering, but, because I was in Arizona only a few days a week at the most, I was unaware it was formally issued.

MAY 2014 AND SUBSEQUENT OFFERINGS – starting at paragraph 69 – My involvement with Barcelona had slowed down, and I resigned about this time. I was unaware of any of these offerings, or the intent of Mr. Harkins to issue more Offerings.

Paragraph 72 – I was present for a number of meetings with Channen Construction Company. To my knowledge there was never an agreement reached with them, and they are the only major general contracting company that I knew we were talking to. I also knew nothing of a “New Build” company. Mr. Harkins had put together a plan that had multiple companies doing various parts of multiple projects. He had one company selling to another (all controlled by Barcelona) at increasing fees. Mr. Teets and I both strongly objected to this structure, and advised that no investor would want to do it, and that it was probably fraud. Mr. Harkins still presented it to Channen Company, but to my knowledge it was not accepted.

It is my request that my name be removed from this complaint, and from any action that arises out of it. I can support all assertions in this letter with either documentation or witnesses, or both. I did not market any of the securities, and brought no investors to the company. My role was to find viable projects, which I did. Barcelona never acted on any of the projects I brought. And, in fact, Mr. Harkins inflated them with unrealistic fees that showed bigger profits to Barcelona for his Offerings. There were never “Major Decisions” made by the Executive Members in regards to Offerings and investments. These were all made essentially by Mr. Harkins.

I appreciate your consideration and await your response.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bruce Orr', with a large, stylized flourish that loops back over the signature.

Bruce Orr