STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

STARBOARD CAPITAL, INC
STARBOARD ALABAMA INVESTMENTS, LLC
MATTHEW A. GIBSON
PATRICK M. DALEIDEN

RESPONDENTS

ADMINISTRATIVE ORDER
NO. CD-2009-0010

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. STARBOARD CAPITAL, INC. ("SCI") is a Florida based Company with a business address of 395 Lanternback Island Drive, Satellite Beach, FL 32937.

2. STARBOARD ALABAMA INVESTMENTS, LLC ("SAI") is an Alabama based Limited Liability Company with a business address of 2809 Callodon Place, Hampton Cove, AL 35763.

3. MATTHEW A. GIBSON ("GIBSON") at all times relevant, was the agent of record according to the Alabama Secretary of State's Office for SAI, with an address of 2809 Callodon Place, Hampton Cove, AL 35763. GIBSON, CRD #2262422, was a registered broker-dealer agent with Metlife Securities Inc. from September 18, 2006 to May 3, 2007.

4. PATRICK M. DALEIDEN ("DALEIDEN") at all times relevant, was the managing member and/or CEO of SCI, with an address of 395 Lanternback Island Drive, Satellite Beach, FL 32937.
STATEMENT OF FACTS

5. The Commission is in receipt of information that between November 2006 and August 2008, GIBSON and DALEIDEN engaged in the offer and/or sale of securities, to wit: Investment Contracts and Promissory Note, to an Alabama resident.

6. In November 2006, continuing through August 2008, RESPONDENTS solicited an aggregate investment of $59,000.00 from an Alabama resident through checks and wire transfers. A portion of the invested funds were deposited into GIBSON’s account at Redstone Federal Credit Union located in Huntsville, AL. Another portion of the invested funds were received by DALEIDEN and deposited into his SunTrust Bank account in south Florida.

7. During solicitation of the investments, RESPONDENTS represented, that in return for their investment, the Alabama resident would earn shares of interest ranging from 2% to 5% of the outstanding shares/units, in various other companies that RESPONDENTS were purportedly associated with. These various other companies are identified as JAT Design ("JAT") and Earthclean Technologies ("Earthclean").

8. In August 2008, GIBSON, representing SAI, executed a promissory note on behalf of TriStates Petroleum ("TriStates"), which promised to pay the Alabama resident his principal plus 50% interest within 90 days from the execution of the promissory note.

9. Information obtained by the Commission staff revealed that RESPONDENTS were not associated with JAT, Earthclean, and TriStates, as represented by RESPONDENTS at the time of the securities transactions described herein. The principals of JAT and Earthclean have represented to the Commission staff that they had no knowledge of the representations made by RESPONDENTS to the Alabama resident in obtaining the invested funds.

10. It was represented to the Commission staff that GIBSON did not have the authority or permission to execute a promissory note, during the time period described above, with the Alabama resident on behalf of TriStates.
11. In March 2009, a review of the files of the Commission disclosed no record of registration for DALEIDEN, SCI and SAI as Dealers, Agents, Investment Advisors, or Investment Adviser Representatives in the state of Alabama. As described herein, GIBSON was previously registered in Alabama as a broker-dealer agent with Metlife Securities Inc.

12. In March 2009, a review of the files of the Commission revealed no registration, nor a perfected exemption from registration for the Investment Contracts and Promissory Note offered and sold by RESPONDENTS.

CONCLUSIONS OF LAW

13. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of security includes an investment contract. The agreements entered into by RESPONDENTS and the Alabama resident provides that the investor will receive 2% to 5% of the outstanding shares/units in the various companies as described herein.

14. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of security includes any note or evidence of indebtedness. The promissory note issued by GIBSON, as described herein, is a security by definition under the Act.

15. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of agent includes any individual who represents a dealer or issuer in effecting sales of securities. GIBSON and DALEIDEN, representing SAI and SCI, respectively, effected securities transactions with an Alabama resident and are agents under the Act.

16. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the Act. RESPONDENTS offered and sold securities, as described herein, to an Alabama resident while not being properly registered as a dealer or agent in violation of Section 8-6-3(a) of the Act.

17. In accordance with Section 8-6-4, Code of Alabama 1975, "it is unlawful for any person to offer or sell any security in this state unless: 1) it is registered under this article; 2)
the security is exempt from registration under Section 8-6-10; or the transaction is exempt under Section 8-6-11." The securities offered and sold by the RESPONDENTS to the Alabama resident were neither registered nor subject to a perfected exemption in the state of Alabama in violation of Section 8-6-4 of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Alabama Securities Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent Order to Bar RESPONDENTS from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS, STARBOARD CAPITAL, INC, STARBOARD ALABAMA INVESTMENTS LLC, MATTHEW A. GIBSON, and PATRICK M. DALEIDEN immediately CEASE AND DESIST from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 24th day of April, 2009.

ALABAMA SECURITIES COMMISSION
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(334) 242-2984

BY:

J. RANDALL MCNEILL
Deputy Director