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7 DEPARTMENT OF BUSINESS OVERSIGHT  
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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
11 OF THE STATE OF CALIFORNIA

13 In the Matter of:

14 THE COMMISSIONER OF BUSINESS  
15 OVERSIGHT,

16 Complainant,

17 v.

18 TERRANCE T. HOLLIDAY, an individual, and  
19 HOLIDAY, RX, INC., a California corporation,

20 Respondents.

DESIST AND REFRAIN ORDER AND  
ORDER FOR ANCILLARY RELIEF

(Violations of Corporations Code section 25401)

21  
22 The Commissioner of Business Oversight finds that:

23 **I.**

24 **Statement of Facts**

25 1. At all relevant times herein, Holiday Rx., Inc. (“Holiday Rx”) was a California  
26 corporation with its primary place of business at 4141 Via Marina #819, Marina Del Rey, CA 90292.

27 2. At all relevant times herein, Terrance T. Holliday (“T. Holliday”) was the Agent for  
28 Service of Process and the control person of Holiday Rx.

1           3.       Whenever reference is made in this Statement in Support to “Respondents” doing any  
2 act, the allegation shall mean the act of each respondent acting individually, jointly and severally.

3           4.       In 2010, Respondents offered and sold securities in the State of California, in the form  
4 of shares of stock in Holiday Rx. Respondents represented to investors that T. Holliday was the  
5 owner of Holiday Rx and that Holiday Rx owned and operated a chain of successful pharmacies.

6           5.       Respondents offered and sold these securities to at least two (2) investors (referred to  
7 herein as “S.R.” and “B.M.”) residing in California, raising at least \$100,000.00 in the following  
8 amounts:

9           a)       Investor S.R. -       \$50,000.00, invested on August 26, 2010;

10          b)       Investor B.M. -       \$50,000.00, invested on December 5, 2010.

11          6.       In connection with the offer and sale of these securities, Respondents made, or caused  
12 to be made, misrepresentations of material fact or omitted to state material facts necessary in order to  
13 make the statements made, in the light of the circumstances under which they were made, not  
14 misleading. These misrepresentations and omissions were the following:

15          a)       Respondents misrepresented to investors S.R. and B.M. that they would receive a 5%  
16 interest return every quarter, when in fact Respondents paid none of the promised interest payments  
17 and the entirety of the investors’ principal funds remain unpaid to the present, despite the investors’  
18 demands for a refund.

19          b)       Respondents failed to disclose that T. Holliday was diverting funds in the Holiday Rx  
20 business bank accounts to pay for personal expenses and luxury items, rental payments for his  
21 personal residence, and frequent cash withdrawals.

22          c)       Respondents failed to disclose the May 10, 2010, adverse civil judgment against  
23 Respondents for \$201,369.62 following trial in the State of Texas in the lawsuit entitled *Sealy*  
24 *Commerce Park, LP v. Terrance Holliday, et al.*, Case No. 2008-72798.

25          d)       With respect to investor B.M., Respondents failed to disclose that, on November 10,  
26 2010, former Holiday Rx board member, Lance Takao, filed a civil suit in the Superior Court for Los  
27 Angeles County against Respondents, demanding an inspection of the accounting books of Holiday  
28

1 Rx and alleging that T. Holliday had abused his corporate powers by diverting company funds for  
2 personal expenses.

3 **II.**

4 **Order for Ancillary Relief**

5 Based on the foregoing findings of fact, Respondents have offered and sold securities in the  
6 form of shares of Holiday Rx common stock to at least 2 investors in an amount of at least  
7 \$100,000.00 in violation of Corporations Code section 25401.

8 **WHEREFORE**, good cause showing, and the Commissioner of Business Oversight  
9 having determined that this action is in the public interest, for the protection of investors and  
10 consistent with the purposes, policies, and provisions of the CSL, based on Respondents'  
11 violations, the Commissioner hereby orders ancillary relief pursuant to Corporations Code section  
12 25532, subdivision (e), individually, jointly and severally against Respondents and in favor of the  
13 Commissioner on behalf of the investors, as follows:

14 a) Restitution and/or disgorgement, consisting of the investors' investment principal  
15 in an amount of \$100,000.00, as follows:

- 16 1) Investor S.R. - \$50,000.00;
- 17 2) Investor B.M. - \$50,000.00.

18 b) The ancillary relief ordered in the total amount of \$100,000.00 shall be due and  
19 payable to the Department of Business Oversight within 30 days after this Order is deemed final  
20 pursuant to Corporations Code section 25532 and sent to the attention of: Robert Lux, Senior  
21 Counsel, Department of Business Oversight; 1350 Front Street, #2034; San Diego, California  
22 92101.

23 **III.**

24 **Desist and Refrain Order**

25 The Commissioner of Business Oversight is of the opinion that the securities offered and sold  
26 by Holiday Rx, Inc. and Terrance T. Holliday were offered and sold in this state by means of written  
27 or oral communications that included untrue statements of material fact or omitted to state material  
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1 facts necessary in order to make the statements made, in the light of the circumstances under which  
2 they were made, not misleading, in violation of Corporations Code section 25401.

3 **IT IS HEREBY ORDERED EFFECTIVE IMMEDIATELY THAT:**

4 Pursuant to Corporations Code section 25532, Holiday Rx, Inc. and Terrance T. Holliday  
5 are to desist and refrain from offering or selling any security in the State of California, including  
6 but not limited to, Holiday Rx common stock, by means of any written or oral communication  
7 which includes an untrue statement of a material fact or omits to state a material fact necessary in  
8 order to make the statements made, in the light of the circumstances under which they were made,  
9 not misleading.

10 This Order is necessary, in the public interest, for the protection of investors and consistent  
11 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

12  
13 Dated: January 26, 2016  
14 Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

15  
16 By \_\_\_\_\_  
17 MARY ANN SMITH  
18 Deputy Commissioner  
19 Enforcement Division  
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