

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION**

IN THE MATTER OF:

Nickolas Skaltsis,  
Liberty Realty Trust, and  
Phoenix Asset Group, Inc.

Respondents

)  
)  
) **DEFAULT ORDER**  
)  
) **I-2012-000033**  
)  
)  
)

**WHEREAS**, an amended Order to Cease and Desist in the above entitled matter was issued on April 4, 2013, and

**WHEREAS**, said Order contained a notice stating that failure to respond within 30 days of receipt of the Order shall result in a default judgment being entered and the penalties requested in the Staff Petition being imposed by default, and

**WHEREAS**, finding that service on the Respondent was made in hand by the Merrimack County Sheriff's Office on April 5, 2013, and

**WHEREAS**, finding that no response was received by May 6, 2013,

**THEREFORE**, it is hereby ORDERED that:

1. The Respondent is in default of the Order dated April 4, 2013.
2. The relief requested, including fines and penalties so noted in the Staff Petition and amended Order is granted by default.
3. This default order became permanent by operation of law on May 6, 2013. .

SIGNED,  
WILLIAM M. GARDNER  
Secretary of State  
By His Designee:

Dated: 5-7-13

A handwritten signature in cursive script, appearing to read "Barry J. Glennon", written over a horizontal line.

BARRY J. GLENNON, Director  
N.H. Bureau of Securities Regulation

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION

_____	)	
	)	
	)	
<b>IN THE MATTER OF:</b>	)	
	)	
Nickolas Skaltsis	)	
Liberty Realty Trust	)	
Phoenix Asset Group	)	I-2012000033
	)	
Respondents	)	
_____	)	

**MOTION FOR ENTRY OF DEFAULT ORDER**

NOW COMES the State of New Hampshire, by and through the Secretary of State, Bureau of Securities Regulation and hereby makes the following motion:

WHEREAS, on April 4, 2013, an amended Order was issued against Respondents requiring Respondents to pay three hundred and four thousand dollars (\$304,000) in restitution, fifty-two thousand, five hundred dollars (\$52,500) in an administrative fine, and thirty thousand dollars (\$30,000) in costs (See Exhibit A); and

WHEREAS, on April 5, 2013, this Order was served on Respondent Nickolas Skaltsis in hand by the Merrimack County Sheriff's Office; and

WHEREAS, pursuant to RSA 421-B:23, I(a), "If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, such person shall be deemed in default, and the proceeding may be determined against him or her upon consideration of the cease and desist order, the allegations of which may be deemed to be true. If the person to whom a cease and desist order is issued fails to request a hearing within 30 calendar days of receipt of such order, but in any case no later than 60 calendar days from the issuance of the order, then such person shall likewise be deemed in default, and the order shall, on the thirty-first day from the receipt of the order and no later than the sixty-first day from the issuance of the order, become permanent, and shall remain in full force and effect until and unless later modified or vacated by the secretary of state, for good cause shown."

The Bureau hereby requests the following:

1. A default order be issued against the Respondents and the relief requested in the amended order be granted.

Respectfully submitted,

5/6/13  
Dated



Eric A. Forcier, Esq.  
Staff Attorney

Certificate of Service

I, Eric Forcier, do hereby certify that on May 6, 2013, I mailed a true copy of the foregoing via certified mail, return receipt requested, to the last known address of the Respondents at 6 Erik Drive in Dover, New Hampshire and further mailed a true copy of the foregoing via certified mail, return receipt requested, to the Strafford County Jail, where it is believed that Respondent Nickolas Skaltsis is currently located.

Dated 5/6/13



Eric Forcier, Esq.  
Staff Attorney

# Exhibit A

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION**

IN THE MATTER OF:

Nickolas Skaltsis,  
Liberty Realty Trust, and  
Phoenix Asset Group, Inc.

Respondents

)  
)  
) ORDER  
) I-2012-000033  
)  
)  
)

**Whereas**, an Order to Cease and Desist on the above captioned matter was issued on January 23, 2013, and,

**Whereas**, service of said Order was made on January 24, 2013, and,

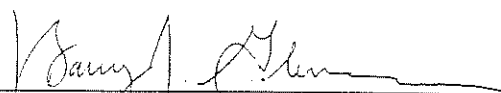
**Whereas**, the Bureau moves to Amend said Order as outlined in its Motion dated March 1, 2013, mailed to Respondents via certified mail on March 1, 2013,

Therefore, It is hereby **ORDERED**, that:

1. The Bureau's Motion to Amend Order is granted.
2. Failure to request a hearing within 30 days of the date of receipt of this Order shall result in a default judgment being rendered, including imposition of fines and penalties upon the defaulting Respondents.

SIGNED,  
WILLIAM M. GARDNER  
Secretary of State  
By His Designee:

Dated: 4-4-13

  
BARRY J. GLENNON, Director  
N.H. Bureau of Securities Regulation

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION

\_\_\_\_\_  
)  
)  
)  
IN THE MATTER OF: )  
)

Nickolas Skaltsis )  
Liberty Realty Trust )  
Phoenix Asset Group )

Respondents )  
\_\_\_\_\_ )

I-2012000033

MOTION TO AMEND ORDER

NOW COMES the State of New Hampshire, by and through the Secretary of State, Bureau of Securities Regulation and hereby makes the following motion:

WHEREAS, on January 23, 2013, the Respondents were ordered to immediately cease and desist from violating RSA 421-B, pay an administrative fine in an amount to be determined by the hearing officer, pay the costs of this investigation in an amount to be determined by the hearing officer, pay restitution in an amount to be determined by the hearing officer, and be barred from securities licensure in any capacity as currently codified under RSA 421-B (hereinafter referred to as the "Order") (See Exhibit A); and

WHEREAS, on January 24, 2013, service of the Order was made by certified mail, return receipt requested, to the Respondents last known address of 6 Erik Drive in Dover, New Hampshire. The return receipt was received by the Bureau and indicated that Lorraine Skaltsis signed for the Order.

The Bureau hereby requests the following:

1. Paragraph 2 of the Staff Petition (See Exhibit A) be amended to read as follows (changes is bold):

Between February 4, 2011 and September 9, 2012, Skaltsis issued at least twenty-one unsecured promissory notes to thirteen individuals and raised at least \$327,500. All but one of the twenty-one unsecured promissory notes were signed by Skaltsis in his capacity as trustee for Liberty. Seven of the twenty unsecured

promissory notes that were signed by Skaltsis in his capacity as trustee of Liberty were also signed by Skaltsis individually. One unsecured promissory note appears to only be issued by Skaltsis individually. Of the \$327,500 raised, only **\$56,000** of principal has been returned, leaving a total of **\$271,500** in principal still owed, plus any unpaid interest.

2. An Order be entered requiring the Respondents to pay restitution in the following amounts, consistent with the facts alleged in paragraphs 3-16 of the Staff Petition dated January 23, 2013 (See Exhibit A) and in accordance with RSA 421-B: 26, V:

- Investor #1: \$9,000.00
- Investor #3: \$30,000.00
- Investor #4: \$10,000.00
- Investor #5: \$20,000.00
- Investor #6: \$20,000.00
- Investor #7: \$20,000.00
- Investor #8: \$45,000.00
- Investor #9: \$20,000.00
- Investor #10: \$40,000.00
- Investor #11: \$20,000.00
- Investor #12: \$25,000.00
- Investor #13: \$20,000.00
- Investor #15: \$25,000.00

Total restitution requested is \$304,000.00.

3. An Order be entered requiring the Respondents to pay an administrative fine of \$52,500.00, which represents a \$2,500 fine for each unlawful unsecured promissory note issued by Respondents, in accordance with RSA 421-B: 26, III.
4. An Order be entered requiring Respondents to pay the costs of this investigation in the amount of \$30,000.00, in accordance with RSA 421-B: 26, V.

Respectfully submitted,



Eric A. Forcier, Esq.  
Staff Attorney

3/11/13  
Dated




Certificate of Service

I, Eric Forcier, do hereby certify that on March 1, 2013, I mailed a true copy of the foregoing via certified mail, return receipt requested, to the last known address of the Respondents at 6 Erik Drive in Dover, New Hampshire and further mailed a true copy of the foregoing via certified mail, return receipt requested, to the New Hampshire Hospital, where it is believed that Respondent Nickolas Skaltsis is currently located.

Dated

3/1/13

A handwritten signature in black ink, appearing to read "Eric Forcier", written over a horizontal line.

Eric Forcier, Esq.  
Staff Attorney