

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF
CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES OF THE
STATE OF OREGON**

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In the Matter of:)	
)	No. A-01-0029
CORBIN SHIRLEY,)	
)	FINAL ORDER TO CEASE AND DESIST, DENYING EXEMPTIONS, AND ASSESSING CIVIL PENALTIES ENTERED BY DEFAULT AS TO CORBIN SHIRLEY
Respondent.)	
)	

On June 6, 2001, the Director of the Department of Consumer and Business Services for the State of Oregon (hereafter the "Director"), acting by and pursuant to the authority of Oregon Securities Law, Chapter 59 of the Oregon Revised Statutes, and other applicable authority, issued Administrative Order no. A-01-0029 to **CEASE AND DESIST, DENYING EXEMPTIONS, AND ASSESSING CIVIL PENALTIES AND NOTICE OF RIGHT TO CONTESTED CASE HEARING** (hereafter "the order") against Respondent **CORBIN SHIRLEY**.

On June 6, 2001 Respondent **CORBIN SHIRLEY** was duly served with a true copy of the Order and Notice by United States Mail, postage pre-paid, and addressed to Respondent **CORBIN SHIRLEY** at the following address: 17281 Stellar Drive, Sherwood, Oregon 97140. This mailing was not returned.

On June 6, 2001 Respondent **CORBIN SHIRLEY** was duly served with a true copy of the Order and Notice by certified United States Mail (item number 70001670001043031548), postage pre-paid, and addressed to respondent Corbin Shirley at the following address: 17281 Stellar Drive, Sherwood, Oregon 97140. The United States Post Office returned this mailing to its sender because "moved left no address, unable to forward, return to sender". Respondent **CORBIN SHIRLEY** has not made a written request for a contested case hearing in this matter

Division of Finance and Corporate Securities
 Labor and Industries Building
 350 Winter Street NE, Suite 410
 Salem, OR 97310
 Telephone: (503) 378-4387



1 sales meetings at which Dannel Financial investments were touted. Wade Robley
2 attended one of the sales meetings.

3 8. Robley told Respondent **CORBIN SHIRLEY** that he was interested in
4 garnering a better investment return on his IRA account.

5 9. Respondent **CORBIN SHIRLEY** tendered written sales materials
6 describing the Dannel program to Wade Robley . The materials refer to a "Cash
7 Enhancement Private Placement Program" and note that "This is not offered through any
8 brokerage firm... therefore, no securities representatives are allowed. It is by invitation
9 only." The solicitation asserted that there was a "Bank Guarantee for security of
10 principal" and that "partakers" would receive "2% Interest payment monthly delivered by
11 FedEx."

12 10. Respondent **CORBIN SHIRLEY** expressly represented to Robley that
13 the purchase of this promissory note was a "safe investment."

14 11. Respondent **CORBIN SHIRLEY** failed to provide Robley with any form
15 of prospectus or disclosure as to the true and substantial risks of this investment and
16 failed to provide Robley with any financial or management information regarding
17 "Samuel - 2 Limited Partnership, LP", the issuer of the promissory note.

18 12. On January 29, 1999 Robley purchased a twelve month promissory note in
19 the amount of forty five thousand dollars (\$45,000) bearing an interest rate of nine
20 percent (9%) per annum issued by Samuel -2 Limited Partnership, a Nevada limited
21 partnership.

22 13. Said promissory note was never registered for sale with the Oregon
23 Division of Finance and Corporate Securities.

24 14. Respondent **CORBIN SHIRLEY** failed to inform Robley that the
25 promissory note was never registered for sale with the Oregon Division of Finance and
26 Corporate Securities.



15. Robley never received any of his principal or interest from either Dannel Financial or "Samuel-2 Limited Partnership, LP."

16. Robley never received any of his principal or interest from Respondent **CORBIN SHIRLEY**. Furthermore, Respondent **CORBIN SHIRLEY** failed to inform Robley that neither Dannel Financial, "Samuel -2 Limited Partnership, LP", or himself would honor the terms of its agreement.

17. In addition to his sale of a promissory note to Wade Robley, Respondent **CORBIN SHIRLEY** has used the Internet to offer to sell private placement trading programs" to a specifically targeted group of individuals, including Richard Clarke, via electronic mail.

18. Respondent **CORBIN SHIRLEY** has used several different scripts in his offerings. In one he notes that "as a partaker in a Restricted Private Placement Trading Program you will receive "Full" Recourse Agreement for Security of Principal, Exclusivity in trading (not available to everyone), and Monthly Interest Payments (Sorry, NO COMPOUNDING)." This offering had a "Minimum \$50K" investment and the "maximum term is 12 months. Every partaker must renew every 12 months!" The offering concludes "Does your level of comfort permit you to do everything you want to do? It is your choice!" Another offer is even more generous: it touts terms of up to "1400% net" and asserts that "the principal is insured against loss by Lloyds of London." Furthermore, "This program permits the client/beneficiary to place their funds or negotiable instruments in their own account in one of the top ten banks in New York."

19. The offerings described in paragraphs eighteen and nineteen are entirely illegitimate, and were certainly never registered for sale with the Oregon Division of Finance and Corporate Securities.

20. Respondent **CORBIN SHIRLEY** failed to inform Clarke that the offering was never registered for sale with the Oregon Division of Finance and Corporate



1 would receive nine (9%) interest per annum. In addition, Respondent **CORBIN**
2 **SHIRLEY** failed to provide Wade Robley with any form or prospectus or to disclose the
3 true and substantial risks of the promissory note and failed to provide Robley with any
4 financial or other background information regarding "Samuel -2 Limited Partnership, LP,
5 the issuer of the note. Furthermore, Respondent **CORBIN SHIRLEY** failed to inform
6 Robley that the promissory note was not registered with the Oregon Division of Finance
7 and Corporate Securities. Said misrepresentations and/or omissions violated ORS 59.135
8 (2).

9 5. Respondent **CORBIN SHIRLEY**, in connection with the purchase or sale
10 of a security, made untrue statements of a material fact and/or omitted to state a material
11 fact necessary in order to make the statements made, in the light of the circumstances
12 under which they were made, not misleading when he represented to Richard Clarke that
13 investments in the "trading programs" that he was offering were secure and would pay a
14 variety of very high interest rates ("up to 1400% net", "twenty four percent per year"). In
15 addition, Respondent **CORBIN SHIRLEY** failed to provide Richard Clarke with any
16 form or prospectus or to disclose the true and substantial risks of the "trading programs"
17 and failed to provide Clarke with any financial or other background information
18 regarding the issuer of these programs. Respondent **CORBIN SHIRLEY** failed to
19 inform Clarke that the "trading programs" were not registered with the Oregon Division
20 of Finance and Corporate Securities. Said misrepresentations and/or omissions violated
21 ORS 59.135 (2).

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24 **ORDER**

25
26 Therefore, the Director **ORDERS**



