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

**In the Matter of:** ) **S-10-0034**  
)  
**Andrew Scot Bolsinger,** ) **ORDER TO CEASE AND DESIST**  
) **ORDER DENYING EXEMPTIONS**  
) **ORDER BARRING FROM INDUSTRY**  
) **AND**  
) **CONSENT TO ENTRY OF ORDER**  
**Respondent.** )  
\_\_\_\_\_ )

**WHEREAS** the Director of the Department of Consumer and Business Services (hereinafter “Director”) has conducted an investigation of activities conducted by Andrew Scot Bolsinger (hereinafter “Bolsinger”) and has determined that Bolsinger offered and sold securities in violation of the Oregon Securities Law; and

**WHEREAS** Bolsinger wishes to resolve and settle this matter with the **DIRECTOR**;

**NOW THEREFORE**, as evidenced by his authorized signature subscribed below, Bolsinger hereby **CONSENTS** to entry of this Order to Cease and Desist upon the Director’s Findings of Fact and Conclusions of Law as stated hereafter.

**FINDINGS OF FACT**

**A. Parties**

1. Bolsinger was born in 1966 and currently resides at the Powder River Correctional Facility in Baker City, Oregon.

2. Bolsinger registered seven entities with the Oregon Secretary of State’s Corporation

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1 Division (hereinafter “Corporation Division”) including: 1) The Main Source Inc.; 2) Pipon’s  
2 Inc.; 3) EscapeGoat LLC ; and 4) Lithia Stationers;

3 3. On August 12, 2004, Bolsinger registered Main Source Inc. as a Domestic Business  
4 Corporation with the Corporation Division, registration no. 235779-92 (hereinafter “Main  
5 Source”). Bolsinger is listed as the president and registered agent. Main Source’s principal  
6 place of business is listed as 60 North Main Street, Ashland, Oregon.

7 4. On February 28, 2005, Bolsinger registered Pipon’s Inc. with the Corporation  
8 Division, registration no. 272082-97 (hereinafter Pipon’s). Bolsinger is listed as the president  
9 and registered agent. Pipon’s principal place of business is listed as 29 Main Street, Ashland,  
10 Oregon.

11 5. On February 28, 2005, Bolsinger registered EscapeGoat LLC with the Corporation  
12 Division, registration no. 272073-98 (hereinafter “EscapeGoat”). Bolsinger is listed as the  
13 only member and the registered agent. EscapeGoat’s principal place of business is listed as  
14 60 North Main Street, Ashland, Oregon.

15 6. On June 2, 2005, Bolsinger registered the assumed business name Lithia Stationers,  
16 with the Corporation Division, registration no. 291706-93 (hereinafter “Lithia Stationers”).  
17 Bolsinger is listed as the authorized representative and EscapeGoat is listed as the registrant.  
18 Lithia Stationers’ principal place of business is listed as 21 Winburn Way, Ashland, Oregon.

19 **B. Investments**

20 7. In March 2005, Bolsinger solicited an investment from E.L. Bolsinger told E.L. that  
21 her money would be used to purchase two businesses in Ashland Oregon, Lithia Stationers  
22 and a Mexican Restaurant Pipon’s. Bolsinger provided E.L. with a business plan for both  
23 businesses before she decided to invest.

24 8. Between March 2005 and April 2007, E.L. made eleven separate investments totaling  
25 \$105,500 with Bolsinger. E.L. provided Bolsinger with personal checks for each of the 11



1 investments. At Bolsinger’s direction the checks were made out to Main Source and mailed  
2 to Ashland Oregon via U.S. mail.

3 9. E.L. expected a return on her investments in Lithia Stationers and Pison’s. Bolsinger  
4 exercised management and control over E.L.’s investment, Main Source, Lithia Stationers,  
5 and Pison’s.

6 10. In September 13, 2006, T.G. invested \$77,000 in Pison’s. T.G. expected a return on  
7 his investment. Bolsinger excised management and control over T.G.’s investment and  
8 Pison’s.

9 11. The Division has no record of any securities offering ever being registered in the name  
10 of Bolsinger, Main Source, Lithia Stationers, or Pison’s.

11 12. The Division has no record of Bolsinger ever being licensed to sell securities in the  
12 state of Oregon.

13 **C. Use of Investor Funds**

14 13. Bolsinger comingled and pooled investor funds with revenue from each of the  
15 businesses he operated and with his own personal bank account. Bolsinger transferred money  
16 from one business account to another or to his own personal account on a regular basis. The  
17 money was so commingled that Bolsinger’s own accountants could not trace the origin of  
18 funds (hereinafter “pooled accounts”).

19 14. Bolsinger used money from these pooled accounts to pay for his home mortgage and  
20 to pay for his own personal credit card balances.

21 15. From November 2006 to January 2007, Bolsinger rented a vacation home in Mexico.  
22 Bolsinger used money from the pooled accounts to pay for this personal vacation rental.  
23 Bolsinger also used money from the pooled accounts to pay for the landscaping at his  
24 personal residence.

25 16. Bolsinger did not disclose to E.L. or T.G. that he would use their money for his own  
- -

1 personal benefit.

2 **D. Criminal Case**

3 17. On October 16, 2009, the Jackson County District Attorney filed a twenty-four count  
4 felony indictment against Bolsinger in Jackson County Circuit Court, Case No. 094207AFE.  
5 The indictment included nine counts of Aggravated Theft in the First Degree, nine counts of  
6 Forgery in the First Degree, four counts of Identity Theft, and 2 counts of Theft in the First  
7 Degree.

8 18. On April 7, 2010, as part of a negotiated plea agreement, Bolsinger pleaded guilty to  
9 two counts of Aggravated Theft in the First Degree, One Count of Forgery in the First  
10 Degree, and one count of Identity Theft. Bolsinger was sentenced to 36 months in the Oregon  
11 Department of Corrections. Pursuant to the plea agreement, the remaining counts alleged in  
12 the indictment were dismissed.

13 19. Bolsinger and the Jackson County District Attorney agreed that the total restitution in  
14 Case No. 094207AFE would not exceed \$432,000.

15 **CONCLUSIONS OF LAW**

16 The Director **CONCLUDES** that:

17 1. The investments sold by Bolsinger constitute a security as defined by ORS  
18 59.015(19)(a).

19 2. Bolsinger continuously sold unregistered securities in Oregon in violation of ORS  
20 59.055.

21 3. Bolsinger continuously sold securities in Oregon without a license in violation of ORS  
22 59.165(1).

23 4. Bolsinger continuously made material misrepresentations in connection with the sale  
24 of securities by telling investors their money would be used for the benefit of Main Source,  
25 Lithia Stationers, or Pipon's, when in fact he used their money for his own personal benefit, in  
- -



1 violation of ORS 59.135(2).

2

**ORDER**

3 The Director, pursuant to ORS 59.245 hereby **ORDERS** that Bolsinger shall **CEASE**  
4 **and DESIST** from:

5 1. Selling securities without a license in violation of Oregon Securities Laws;

6 2. Selling unregistered securities in the State of Oregon in violation of the Oregon  
7 Securities Laws;

8 3. Violating any provision of the Oregon Securities Laws, including ORS Chapter 59 and  
9 OAR Chapter 441.

10 4. Bolsinger is permanently **BARRED** from applying for, holding, or renewing any  
11 license or registration required by the Director in Oregon, including but not limited to broker-  
12 dealer or salesperson, investment adviser, investment adviser representative, consumer  
13 finance, manufactured structure dealer, mortgage loan originator or mortgage loan processor.

14 5. The Director Further **ORDERS** that Bolsinger and any entities that employ or  
15 otherwise utilize his services for the purpose of raising capital, are, pursuant to ORS 59.045,  
16 **DENIED THE USE OF ANY EXEMPTIONS**, that would otherwise be available to them  
17 under ORS 59.025 and ORS 59.035, to securities registration requirements. Furthermore,  
18 Bolsinger is, for the protection of the investing public, **STRICTLY PROHIBITED** from  
19 raising capital, formally or informally, from other individuals for use or investment on their  
20 behalf. Bolsinger is **PROHIBITED** from maintaining an ownership interest in or executive  
21 role with a broker-dealer or investment adviser located in or licensed by this state.

22 6. Bolsinger is ordered to pay the sum of **THREE HUNDRED THOUSAND**  
23 **DOLLARS** (\$300,000) as a civil penalty for the three continuing violations of ORS 59.055,  
24 59.135, and 59.165 described herein.

25 7. To ensure that investors receive restitution, the Director elects to **SUSPEND** this  
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1 **CIVIL PENALTY** so long as Bolsinger complies with the terms of the Judgment of  
2 Conviction and Sentence in Jackson County Circuit Court Case No. 094207AFE including  
3 but not limited to complying with the terms of post prison supervision and the payment of all  
4 restitution ordered.

5 8. If the Director determines that Bolsinger is attempting to evade his restitution  
6 obligation or otherwise violates the terms of this Order the suspended Civil Penalty shall  
7 become immediately due and owing in its entirety.

8 The entry of this Order in no way limits further remedies which may be available to  
9 the Director under the Oregon Law.

10 Dated this 23<sup>rd</sup> day of August, 2010, at Salem, Oregon.

11 CORY STREISINGER, Director  
12 Department of Consumer and Business Services

13  
14 /s/ David Tatman  
15 David Tatman, Administrator  
16 Division of Finance and Corporate Securities

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1 **CONSENT TO ENTRY OF ORDER**

2 I, Andrew Scot Bolsinger, state that I am a resident of the State of Oregon, that I have  
3 read the foregoing Order and that I know and fully understand the contents hereof; that the  
4 factual allegations stated herein are true and correct; that I have been advised of my right to a  
5 hearing, and that I have been represented by counsel in this matter; that I voluntarily consent  
6 to the entry of this Order without any force or duress, expressly waiving any right to a hearing  
7 in this matter; that I understand that the Director reserves the right to take further actions  
8 against me to enforce this Order or to take appropriate action upon discovery of other  
9 violations of the Oregon Securities Law by me; and that I will fully comply with the terms  
10 and conditions stated herein.

11 I understand that this Consent Order is a public document.

12 Dated this 4 day of August, 2010.

13  
14 /s/ Andrew S. Bolsinger  
Andrew Scot Bolsinger

15 SUBSCRIBED AND SWORN to before me this 6th day of August, 2010.

16  
17 /s/ Joanne P. Coursey  
18 (Printed Name of Notary Public)  
19 Notary Public  
for the State of: Oregon

20 My commission expires: 11/23/2010

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22 Approved as to form: /s/ Larry R. Roloff  
23 Attorney for Andrew Scot Bolsinger  
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