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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
7 **OF CONSUMER AND BUSINESS SERVICES**

8 In the Matter of:

S-10-0058

9 **ROBERT TODD CALVERT,**

10 Respondent.

**ORDER TO CEASE AND DESIST,
ORDER DENYING EXEMPTIONS,
ORDER ASSESSING CIVIL PENALTY
AND CONSENT TO ENTRY OF ORDER**

11 WHEREAS the Director of the Department of Consumer and Business Services for the
12 State of Oregon (hereinafter "Director") has conducted an investigation of the activities of
13 Robert Todd Calvert (hereinafter "Calvert") and has determined that he offered and sold
14 securities in violation of the Oregon Securities Law, ORS 59.005 to 59.451, 59.991 and 59.995;
15 and

16 WHEREAS Calvert wishes to resolve and settle this matter with the Director;

17 NOW THEREFORE, as evidenced by the authorized signature subscribed herein, Calvert
18 hereby CONSENTS to entry of this ORDER TO CEASE AND DESIST, ORDER DENYING
19 EXEMPTIONS, ORDER ASSESSING CIVIL PENALTY AND CONSENT TO ENTRY OF
20 ORDER (hereinafter "the Order") upon the Director's Findings of Fact and Conclusions of Law
21 as stated hereafter.

22 **I.**

23 **FINDINGS OF FACT**

24 The Director FINDS that:

25 1. During all relevant times herein, Robert Todd Calvert was a resident of Nevada. Until
26 approximately December 2005, Calvert was a partial owner of Trust Company of the Pacific





1 (hereinafter “TCOP”), which was a trust company operating in Nevada that functioned as an
2 individual retirement account (“IRA”) custodian. Calvert held himself out as a trust executive
3 with TCOP. Calvert also formed, owned and operated Pacific Payment Xchange, Inc. (“PPX”),
4 which Calvert represented was involved in financing real estate projects.

5 2. Calvert and others approached and recruited potential investors in Oregon to invest in
6 IRAs, trusts and annuities through TCOP. Calvert recruited James Theeler (“Theeler”), an
7 Oregon-licensed insurance agent, to refer potential investors in Oregon to Calvert. Calvert paid
8 Theeler referral fees for each investor.

9 3. At all times relevant herein, neither Calvert nor Theeler were licensed to sell
10 securities in Oregon.

11 4. The Oregon Division of Finance and Corporate Securities (“Division”) has no record
12 of any securities registration for Calvert, Theeler, PPX or TCOP at any time material to this
13 Order.

14 5. From September 2004 to at least August 2007, Calvert was part of a scheme to
15 defraud 17 Oregon investors and sold unregistered securities to those Oregon residents.

16 6. Calvert falsely promised investors, and knowingly and fraudulently caused Theeler to
17 tell some investors, that they would recover their principal investment and a guaranteed eight
18 percent return on their investment at the end of the maturation period for the investment, (which
19 typically was 12 to 24 months), when in fact Calvert knew that the investments were fictitious.

20 7. Calvert falsely told some investors, and knowingly and fraudulently caused Theeler to
21 tell some investors, that they were investing in TCOP when, in fact, Calvert knowingly and
22 fraudulently diverted investors’ monies from TCOP to PPX without telling investors.

23 8. Calvert knowingly and fraudulently transferred investors’ monies from TCOP’s bank
24 account to a PPX bank account in Nevada. Calvert controlled the PPX bank account and used
25 investors’ monies to pay his personal expenses and Theeler’s referral fees.

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1 14. In at least 17 instances, Calvert sold unregistered securities to Oregon residents in
2 violation of ORS 59.055.

3 15. In at least 17 instances, Calvert sold securities in Oregon without a license issued
4 pursuant to the Oregon Securities Law in violation of ORS 59.165(1).

5 16. In at least 17 instances, Calvert made material misrepresentations in the sale of a
6 security by telling investors that their funds would be used for the purchase of real estate
7 investments when Calvert had diverted the funds for his own use, in violation of ORS 59.135(2).

8 **III.**

9 **ORDER**

10 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

11 *Order to Cease and Desist*

12 17. The Director, pursuant to ORS 59.245, hereby ORDERS that Calvert shall CEASE
13 AND DESIST from:

14 A. Transacting business in Oregon as a securities broker-dealer or securities salesperson
15 without a license issued by the Director pursuant to the Oregon Securities Law.

16 B. Selling unregistered securities in Oregon in violation of the Oregon Securities Law.

17 C. Making any untrue statement of material fact or omitting to state a material fact
18 necessary in order to make the statements made, in light of the circumstances under which they
19 are made, not misleading, in connection with the purchase or sale of a security or the conduct of
20 a securities business.

21 D. Engaging in dishonest, fraudulent, illegal, unfair or unethical practices or conduct in
22 connection with the purchase or sale of any security.

23 *Denial of Securities Exemptions*

24 18. Pursuant to ORS 59.045(2), for a period of not less than five years from the effective
25 date of this Order and until further Order of the Director, Calvert is DENIED the use of securities
26 registration and transaction exemptions that would otherwise be available to him pursuant to

1 ORS 59.025 and 59.035.

2 *Financial Services Bar*

3 19. Calvert is, for the protection of the investing public, STRICTLY PROHIBITED from
4 raising capital, formally or informally, from other individuals for use or investment on their
5 behalf. Pursuant to ORS 59.205, Calvert is DENIED the ability to obtain a securities broker-
6 dealer salesperson or investment adviser representative license in Oregon, and is PROHIBITED
7 from maintaining an ownership interest in or executive role with a broker-dealer or investment
8 adviser licensed by the Director.

9 20. In addition, Calvert is permanently BARRED from applying for, holding, or renewing
10 any license or registration required by the Director in Oregon under the Oregon Mortgage Lender
11 Law, ORS 86A.095 to 86A.198, including the license or authorization to act as a mortgage loan
12 originator or mortgage loan processor in Oregon.

13 *Order Assessing Civil Penalty*

14 21. The Director, pursuant to ORS 59.995, hereby ASSESSES a CIVIL PENALTY
15 against Calvert in the amount of \$170,000 (one hundred seventy thousand dollars) (\$10,000 x 17
16 investors), and statutory interest to accrue from the date of this Order, for the violations of ORS
17 59.055, 59.165 and 59.135 as described herein.

18 22. The Director agrees to SUSPEND the civil penalty assessed herein provided that
19 Calvert complies with the restitution payment terms set forth in the Judgment in a Criminal Case
20 as entered by the Federal District Court in the matter entitled *United States v. Robert Calvert*,
21 Case No. 10-CR-00363-JO, and as well all terms of the instant Order. In the event Respondent
22 Calvert fails to comply with the aforesaid restitution payment terms, and is found to be in
23 violation of those terms by the Federal District Court, or violates any term of the instant Order,
24 the entire CIVIL PENALTY and interest will become immediately due and payable. Once
25 Calvert has made all payments required by the aforesaid restitution payment terms, the CIVIL
26 PENALTY assessed herein will be deemed WAIVED.

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 23. The Director reserves the right to take further action to enforce this Order or to take
2 appropriate action upon discovery of new violations of the Oregon Securities Law that arise from
3 facts and circumstances outside the scope of this Order.

4 IT IS SO ORDERED.

5 Dated this 25th day of August, 2011 in Salem, Oregon.

6 SCOTT L. HARRA, Acting Director
7 Department of Consumer and Business Services

8 /s/ David Tatman
9 David C. Tatman, Administrator
 Division of Finance and Corporate Securities

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CONSENT TO ENTRY OF ORDER

I, Robert Todd Calvert, state that I am a resident of the State of Nevada, that I have read the foregoing Order and that I know and fully understand the contents thereof; that I neither admit nor deny the Findings of Fact in the foregoing Order; that I execute this Consent as a settlement of the matter referred to in the Order; that I have been advised of my right to a hearing, and that I have been advised that I could be represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter; that I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations by me of the Oregon Securities Law; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

Dated this 16th day of August, 2011.

/s/ Robert Todd Calvert
Robert Todd Calvert

ACKNOWLEDGMENT

State of Oregon

County of Multnomah

Signed or attested before me on this 16th day of August, 2011 by Robert Todd Calvert.

/s/ Jill Lamme'
Signature of Notary Public

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ATTACHMENT A -- United States v. Robert Calvert (CR 10-363 JO) Restitution

| Victim's Names | | Restitution Amount | |
|------------------------------|----------|--------------------|--|
| JEFFREY HALBERT | | \$20,000.00 | |
| JERRIAN CRONIN | | \$28,390.97 | |
| LAURA BRADLEY | | \$43,154.12 | |
| HERBERT BRADLEY | | \$15,000.00 | |
| FRANCIS QUIMBY | | \$10,549.46 | |
| CONNIE BAUGHMAN | | \$9,557.62 | |
| FRANKLIN and MARGARET BAXTER | | \$136,400.09 | |
| SUSAN YARBROUGH | | \$78,917.15 | |
| GAYL JAMES | | \$24,549.59 | |
| DENNIS HERMAN | | \$12,443.44 | |
| JOHN BONZANI | | \$78,563.95 | |
| PATRICIA CULLY | | \$50,000.00 | |
| EDNA FOLTZ | | \$25,000.00 | |
| MICKI STEELE | | \$17,650.91 | |
| | Subtotal | \$550,177.30 | |
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| Prepared 4/1/2011 | | | |