

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES

In the Matter of

S-12-0068-2

Clyde Paul Carr, Jr.,

Respondent.

FINAL ORDER TO CEASE AND DESIST,
FINAL ORDER DENYING USE OF
EXEMPTIONS, FINAL ORDER ASSESSING
CIVIL PENALTIES, ENTERED BY DEFAULT,
AND NOTICE OF RIGHT TO APPEAL

On April 25, 2013, the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter, “the Director”), acting under the authority of ORS 59.005 to 59.451, 59.991 and 59.995 (the “Oregon Securities Law”), and the Oregon Administrative Rules adopted thereunder, and ORS 183.415(3), duly served Respondent Clyde Paul Carr, Jr. (“Carr”) with a true copy of Administrative Order No. S-12-0068-2, Order to Cease and Desist, Denial of Exemptions, Proposed Order Assessing Civil Penalties, and Notice of Opportunity for an Administrative Hearing (“the Notice Order”).

In accordance with OAR 137-003-0075, the Notice Order designated the Division’s file, including all materials submitted by Carr, as the record for the purpose of making a prima facie case in the event that the Director entered a final order against Carr by default.

Carr did not timely request a hearing.

Now, therefore, on consideration of the record, the Director issues the following Findings of Fact, Conclusions of Law, and Final Orders.

I. FINDINGS OF FACT

The Director FINDS that:

1. Carr is a resident of the state of Washington. His last known address is 10212 E. Valleyway Ave., Spokane Valley, Washington 99206.

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1 2. Between approximately 2006 and 2010, Carr communicated with Oregon
2 residents HVH and PVH, husband and wife, via telephone and email regarding various
3 investment opportunities.

4 3. One of the investment opportunities that Carr recommended to HVH and
5 PVH was a Philippine Gold Importation Venture ("PGIV") operated by Oregon resident
6 Joseph A. Untalan ("Untalan").

7 4. Carr referred HVH and PVH to Untalan, who in turn solicited HVH and PVH
8 to invest in PGIV.

9 5. Carr's actions, advice and information led HVH and PVH to invest in PGIV.

10 6. HVH and PVH invested a total of \$15,000 with Untalan, and Untalan
11 represented to them that the money would be used to cover expenses associated with
12 PGIV, such as travel expenses, security detail and miscellaneous fees.

13 7. Carr was compensated with a finder's fee, or referral fee, for recommending
14 PGIV to HVH and PVH and connecting them with Untalan.

15 8. Untalan met with HVH and PVH on July 26, 2010 at their bank in Grants
16 Pass, Oregon to exchange initial funds of \$10,000. Both Carr and Untalan told HVH and
17 PVH that they would only need to invest \$10,000.

18 9. However, HVH and PVH wired Untalan an additional \$5,000 upon receiving
19 an email from Carr stating that Untalan needed additional funds due to air travel
20 changes.

21 10. Untalan promised to give HVH and PVH \$50,000 after completion of the
22 transaction for their investment of \$15,000. However, HVH and PVH did not receive
23 any returns or any of their principal investment back.

24 11. HVH and PVH did not share in the management of PGIV or have any control
25 over the investment.

26 12. At all times relevant to this order, Untalan was not licensed as a securities



1 salesperson in the state of Oregon.

2 13. At all times relevant to this order, Carr was not licensed to act as a state
3 investment adviser in the state of Oregon.

4

5 II. CONCLUSIONS OF LAW

6 The Director CONCLUDES that:

7 14. The investment in PGIV sold by Untalan to HVH and PVH is an investment
8 contract, and therefore a "security" under ORS 59.015(19)(a).

9 15. Untalan transacted business in Oregon as a securities salesperson without a
10 license, in violation of ORS 59.165(1).

11 16. By recommending the investment in PGIV and referring HVH and PVH to
12 Untalan, Carr provided knowing and substantial assistance to Untalan, and thus aided
13 and abetted Untalan's unlicensed activity in violation of ORS 59.165(1).

14 17. Carr transacted business as an unlicensed state investment adviser in
15 violation of ORS 59.165(6) by communicating with HVH and PVH, for compensation,
16 regarding the advisability of investing in PGIV.

17

18 III. ORDER

19 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDER:

20 Final Order to Cease and Desist

21 18. As authorized by ORS 59.245, the Director ORDERS Respondent Carr, and
22 any successor business entity or any business entity owned, operated or controlled by
23 Carr, to CEASE AND DESIST from:

24 A. Aiding and abetting an unlicensed Oregon salesperson in the sale of
25 securities in the state of Oregon in violation of ORS 59.165(1);

26 B. Transacting business in Oregon as a state investment adviser without a

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1 license, in violation of ORS 59.165(6); and
2 C. Violating any provision of ORS Chapter 59 and Oregon Administrative
3 Rules Chapter 441.

4 Final Order Denying Use of Exemptions

5 19. Pursuant to ORS 59.045, Respondent Carr, and any successor business entity
6 or any business entity owned, operated or controlled by Carr, are DENIED the use of
7 any exemptions that would otherwise be available to them under ORS 59.025 and
8 59.035, concerning securities and transactions exempt from the registration requirements
9 of the Oregon Securities Law.

10 Final Order Assessing Civil Penalties

11 20. Pursuant to the authority of ORS 59.995, the DIRECTOR hereby ASSESSES
12 CIVIL PENALTIES totaling \$20,000 against Respondent Carr, as follows:

13 A. A CIVIL PENALTY of \$10,000 for aiding and abetting Untalan in violating
14 ORS 59.165(1); and

15 B. A CIVIL PENALTY of \$10,000 for violating ORS 59.165(6).

16
17 IV. DIRECTOR'S AUTHORITY TO SEEK OTHER REMEDIES

18 21. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that
19 provision, the entry of this Order does not limit further remedies that are available to the
20 Director under Oregon law.

21 IT IS SO ORDERED.

22 Dated this 17th day of May, 2013.

23 PATRICK M. ALLEN, Director
24 Department of Consumer and Business Services

25 /s/ David Tatman
26 David Tatman, Administrator
Division of Finance and Corporate Securities

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NOTICE OF RIGHT TO APPEAL

Certain parties may have the right to appeal this order under certain circumstances. Those appeal rights can be found under ORS 183.480(1), OAR 137-003-0528 and OAR 137-003-0690. However, according to ORS 59.295(2), if a person entitled to receive notice of the order failed to file a timely demand for hearing, that person will not be entitled to judicial review of the order.

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