

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of

Case No. S-20-0031

ABIODUN AZEEZ OGUNDIPE, an individual, *dba* FOCUS AUTOMOBILE, HONGAN & SONS, INC., A New York corporation, GANIYU ALOGBA, an individual, and BUNSUNAD, LLC, A Texas limited liability company.

ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER

AS AGAINST ABIODUN AZEEZ OGUNDIPE, *dba* FOCUS AUTOMOBILE ONLY

Respondents.

THIS IS A FINAL ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) 59.005 to 59.505, 59.991 and 59.995 (the “Oregon Securities Law”) and the Oregon Administrative Rules (“OAR”) promulgated under those laws, has determined that Abiodun Azeez Ogundipe (“Ogundipe”), *dba* Focus Automobile, engaged in activities constituting violations of the Oregon Securities Law.

Ogundipe wishes to resolve and settle this matter with the Director.¹

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Ogundipe hereby CONSENTS to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director makes the following FINDINGS:

///

///

¹ This Consent Order does not resolve this matter against the remaining Respondents.

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



Oregon Consumer CK

1
2 1. In June of 2019, an Oregon consumer identified in this Order as CK established
3 a profile on the online dating website Match.com.

4 2. CK is a retiree residing in Salem, Oregon. CK was widowed several months
5 before June of 2019. Prior to that, CK had been married for roughly twenty years. CK has
6 travelled extensively and had significant financial resources.

7 3. Shortly after establishing her online dating profile, CK was contacted by an
8 individual who identified himself as “Pieter Van Straaten” (“Van Straaten”).²

9 4. “Van Straaten” displayed familiarity with Salem and claimed to own a house in
10 Salem. “Van Straaten” knew details about a gym located near CK’s residence and knew
11 enough about local shops and stores in Salem to convince CK that “Van Straaten” had lived
12 in Salem.

13 5. CK and “Van Straaten” began an online/long-distance relationship involving
14 regular emails and text messages. Over the next several weeks, “Van Straaten” told CK he
15 was a well-known geologist and mineralogist and owner of an international mining
16 company. He referred CK to what he purported to be his company’s website
17 (www.vanstraatenmining.com) and to Facebook and LinkedIn profiles for “Pieter Van
18 Straaten”. “Van Straaten” also provided what he purported to be photographs of himself
19 at various gatherings.

20 6. In July of 2019, “Van Straaten” presented CK with an opportunity to invest in
21 a garnet mining project in Turkey that his company was purportedly involved in.

22 ///

23 ///

24 ///

25 _____
26 ²The names “Pieter Van Straaten” and “Van Straaten” appear in quotations in this Order because, following its investigation, the Division concludes that “Pieter Van Straaten” is an assumed identity concocted for the purpose of defrauding CK, and potentially other persons who remain unknown at the time of this Order.





1 7. “Van Straaten” claimed to need funds for the mining project—specifically, to
2 pay medical bills and related fees for miners who had been injured in a recent mining
3 accident. As evidence of the mining project, “Van Straaten” provided CK with documents
4 that purported to be licenses issued by Turkish authorities.

5 8. CK had no prior experience with private money lending or with mining.
6 Nevertheless, CK agreed to provide “Van Straaten” with the requested funds because of
7 their relationship.

8 9. “Van Straaten” initially requested, and CK agreed to provide, \$126,000. “Van
9 Straaten” instructed CK to send the funds by wire to a company called Focus Automobile,
10 located in the Bronx, NY.

11 10. “Van Straaten” told CK that Focus Automobile was an intermediary that would
12 forward the funds to another party located in Texas, who in turn would forward the money
13 to “Van Straaten” in Turkey. Relying on these representations, CK wired the requested
14 funds to Focus Automobile from her account with Merrill Lynch in three transactions
15 totaling \$126,000, dated July 15, 2019 (\$20,000), July 18, 2019 (\$64,000), and July 25,
16 2019 (\$42,000).

17 11. Shortly after CK provided the initial \$126,000, “Van Straaten” requested
18 additional funds to deal with the legal consequences from the supposed mining accident.
19 When CK again agreed to provide the funds, “Van Straaten” instructed her to address the
20 wire transfer to a company called Bunsunad, LLC located in Tomball, Texas. CK wired
21 \$84,000 to Bunsunad, LLC on August 6, 2019.

22 12. In August of 2019, “Van Straaten” requested another \$84,000 to deal with
23 further consequences from the mining accident. When CK attempted to send the requested
24 funds, Merrill Lynch advised her that they would no longer send funds to “Van Straaten”
25 on her behalf because they believed she was being defrauded. CK proceeded to gather
26 \$39,000 from other resources and had her bank create a cashier’s check. On the



1 instructions of “Van Straaten”, CK had the cashier’s check drafted to the order of
2 Bunsunad, LLC and mailed the check to an individual identified in this Order as SJ at a
3 residential address in Dallas, TX.

4 13. On August 22, 2019, “Van Straaten” signed a promissory note acknowledging
5 the moneys invested by CK and promising repayment in full on or before September 3,
6 2019 with an additional 20% return on CK’s investment. The promissory note purported
7 to put up “Van Straaten’s” supposed residence in Salem as security for CK’s investment.

8 14. In addition to the promissory note, “Van Straaten” used other stratagems
9 throughout his involvement with CK to allay any concerns that she might otherwise have
10 had. For instance, “Van Straaten” frequently involved other individuals to substantiate his
11 claims to CK. At differing points, CK spoke to individuals who claimed to be “Van
12 Straaten’s” son and “Van Straaten’s” attorney. “Van Straaten” also purported to give CK
13 access to a bank account under his control to support his assertions that he was receiving
14 the funds that CK was providing for the mining venture.

15 15. CK and “Van Straaten” made plans to meet in person, but that meeting never
16 occurred. On several occasions, “Van Straaten” sent CK copies of his purported travel
17 itineraries as evidence of his plans to travel to Oregon, but each time he claimed to have to
18 cancel due to events outside of his control. CK’s last communication with “Van Straaten”
19 was in September of 2019.

20 16. In total, CK invested \$249,000 in “Van Straaten’s” mining venture. As of the
21 time of this Order, “Van Straaten” has not paid CK any profits or returns on the funds she
22 invested, and has not refunded any of the moneys sent by CK.

23 17. The Division’s investigation revealed that “Van Straaten” did not own the
24 residence that he claimed to own in Salem.

25 ///

26 ///

The “Pieter Van Straaten” Persona

18. In June of 2019, an individual using the name “Pieter Van Straaten” created a website at the URL www.vanstraatenmining.com that purported to be for Van Straaten Mining, a mining company based in South Africa. In his email correspondence with CK, “Van Straaten” provided an email address at the www.vanstraatenmining.com domain in his signature block.

19. The person who created the www.vanstraatenmining.com website provided the phone number (971) 301-5255 to the company providing web hosting. This phone number was issued by Talkatone, a provider of Voice Over Internet Protocol (VOIP) telephone service.

20. The phone number is associated with an Internet Protocol Address (IP Address) purportedly in the Happy Valley area of Clackamas County, Oregon. However, this IP address has likely been “spoofed.”

21. Phone records for the (971) 301-5255 phone number show connections to various areas of the United States, Nigeria, and Botswana.

22. Some time prior to June of 2019, profiles for “Pieter Van Straaten” were also created on Facebook and LinkedIn. These profiles describe “Van Straaten” as a graduate of Erasmus University in Rotterdam, the Netherlands. The LinkedIn profile further describes “Van Straaten” as “Director of Operations at Van Straaten Mining and Consulting.”

23. The www.vanstraatenmining.com website and the “Pieter Van Straaten” social media profiles are all part of a fictitious online persona. This persona appears to have been contrived to gain the confidence of—and extract money from—CK, and potentially other victims who remain undiscovered at the time of this Order.

24. At no time were the investments offered and sold to CK by “Van Straaten” registered with the Division.

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



1 25. At no time were “Van Straaten” or any of the respondents licensed as securities
2 salespersons or broker-dealers in Oregon.

3 26. CK was passive in her investment in the purported mining operation and relied
4 solely on the expertise and efforts of “Van Straaten” and others that were working with
5 “Van Straaten” to earn a return on her investment.

6 Ogundipe’s Participation

7 27. On April 17, 2018, an individual identified as Abiodun Azeez Ogundipe
8 (“Ogundipe”) established a business deposit account with HSBC bank in New York, NY,
9 for a business called “Focus Automobile.” Ogundipe identified Focus Automobile as a sole
10 proprietorship and listed the business address as 538 Coster St #1, Bronx, NY 10474.

11 28. Ogundipe and Focus Automobile are in the business of sourcing vehicles and
12 heavy equipment for export. Much of Ogundipe’s business involves acquiring used
13 vehicles and equipment in the United States for export to Nigeria, where these items can
14 command a higher price.

15 29. In July of 2019, Ogundipe was contacted by a person known to him as “David
16 Thomas,” who said he was seeking to acquire and import excavating equipment to Nigeria.

17 30. Ogundipe had done business with “David Thomas” before, but had never met
18 him and was not certain of his real identity. Ogundipe understood “David Thomas” to be a
19 businessman located in western Europe.

20 31. “David Thomas” told Ogundipe that he had a business partner who would be
21 providing the funds to purchase the desired excavating equipment.

22 32. Ogundipe subcontracted the acquisition of the excavating equipment to Hongan
23 & Sons, Inc., a company he had done business with in the past. Like Focus Automobile,
24 Hongan & Sons, Inc., is in the business of sourcing vehicles and heavy equipment.

25 ///

26 ///

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





1 33. On July 15, 2019, the Focus Automobile bank account received a wire transfer
2 of \$20,000 from CK's Merrill Lynch account. On July 17, 2019, the Focus Automobile
3 bank account transferred \$23,000 to Hongan & Sons, Inc.

4 34. On July 18, 2019, the Focus Automobile bank account received a wire transfer
5 of \$64,000 from CK. On July 22, the Focus Automobile account transferred \$68,000 to
6 Hongan & Sons, Inc.

7 35. On July 25, 2019, the Focus Automobile bank account received a wire transfer
8 of \$42,000 from CK. On July 29, 2019, the Focus Automobile account transferred \$30,000
9 to Hongan & Sons.

10 36. Ogundipe received notice by email when he was about to receive funds from
11 CK's Merrill Lynch account. These email notices identified CK as the sender of the funds,
12 provided CK's email address, and stated that the source of funds was CK's Merrill Lynch
13 account in Salem, Oregon.

14 37. Ogundipe did not contact CK or take action to verify the circumstances of these
15 transfers.

16 CONCLUSIONS OF LAW

17 The Director makes the following Conclusions:

18 Director's Authority in Securities Law Cases

19 38. Under ORS 59.245(4), the Director may issue and serve upon a person who has
20 engaged, is engaging, or is about to engage in any violation of the Oregon Securities Law
21 an order to cease and desist from the violation or threatened violation.

22 39. Under ORS 59.995(1)(a) "any person who violates or who procures, aids or
23 abets" the violation of ORS 59.005 to 59.505, 59.710 to 59.830, 59.991 and 59.995 or any
24 rule or order of the Director shall be subject to civil penalties in an amount not to exceed
25 \$20,000 per violation.

26 ///



1 Joint and Several Liability for Securities Fraud Violations

2 40. Under ORS 59.115(3), every person who “participates or materially aids” in a
3 sale of securities that violates the Oregon Securities Law is “liable jointly and severally
4 with and to the same extent as the seller.”

5 41. Under ORS 59.137(1), any person who “violates or materially aids in a
6 violation of ORS 59.135 (1), (2) or (3)” is liable for the actual damages caused by the
7 violation.

8 42. Under ORS 59.995(1), the Director may assess civil penalties against any
9 person who aids and abets in a violation of the Oregon Securities Law, including but not
10 limited to the joint and several liability set forth in ORS 59.115(3) and liability for actual
11 damages under ORS 59.137(1).

12 Conclusions Regarding Ogundipe

13 43. Under ORS 59.055, it is unlawful for “any person to offer or sell any security
14 in this state,” unless (1) the security is registered and the offer or sale is not in violation of
15 any rule, order, condition, or limitation of the Director; (2) the security or the sale is exempt
16 under ORS 59.025 or ORS 59.035, respectively; or (3) the security is a federally covered
17 security for which notice has been filed and fees paid under ORS 59.049.

18 44. Under ORS 59.015(19), a “security” is defined to include an investment
19 contract, a promissory note, or evidence of indebtedness.

20 45. The agreement between CK and “Van Straaten” for CK to provide money for
21 the purported mining project was a “security” for purposes of ORS Chapter 59 as it was an
22 investment contract, a promissory note, and/or evidence of indebtedness.

23 46. “Van Straaten” violated ORS 59.055 by offering and selling CK an
24 unregistered security in the purported mining operation.

25 ///

26 ///



1 47. Under ORS 59.135(2), it is unlawful for any person “to make any untrue
2 statement of a material fact or to omit to state a material fact necessary in order to make
3 the statements made, in the light of the circumstances under which they are made, not
4 misleading.”

5 48. “Van Straaten” violated ORS 59.135(2) on the following occasions by
6 instructing CK to send money that “Van Straaten” misrepresented would be used for the
7 purported mining operation:

- 8 (a) On July 15, 2019, when “Van Straaten” instructed CK to send \$20,000 to
9 Focus Automobile;
- 10 (b) On July 18, 2019, when “Van Straaten” instructed CK to send \$64,000 to
11 Focus Automobile;
- 12 (c) On July 25, 2019, when “Van Straaten” instructed CK to send \$42,000 to
13 Focus Automobile;
- 14 (d) On August 6, 2019, when “Van Straaten” instructed CK to send \$84,000 to
15 Bunsunad, LLC;
- 16 (e) On August 29, 2019, when “Van Straaten” directed CK to have a cashier’s
17 check in the amount of \$39,000 drafted to the order of Bunsunad, LLC and
18 sent to Bunsunad, LLC in the care of SJ.

19 49. Under ORS 59.137(1), any person who violates or materially aids in a violation
20 of ORS 59.135(1), (2) or (3) is liable to any purchaser or seller of the security unless the
21 person who materially participated in the violation sustains the burden of proof that the
22 person did not know and, in the exercise of reasonable care, could not have known of the
23 existence of the facts on which the liability is based.

24 50. Ogundipe materially aided “Van Straaten’s” violations of ORS 59.135(2) by
25 using the Focus Automobile bank account to receive and transmit the funds invested by
26 CK as follows:

- (a) On July 15, 2019, by receiving \$20,000 from CK;
- (b) On July 17, 2019, by transferring \$23,000 to Hongan & Sons, Inc.;
- (c) On July 18, 2019, by receiving \$64,000 from CK;
- (d) On July 22, by transferring \$68,000 to Hongan & Sons, Inc.
- (e) On July 25, 2019, by receiving \$42,000 from CK.
- (f) On July 29, 2019, by transferring \$30,000 to Hongan & Sons, Inc.

51. At the time of these transfers, Ogundipe was in possession of information that, with a reasonable exercise of care, would have allowed him to ascertain the nature of “Van Straaten’s” violations. However, Ogundipe did not exercise reasonable care to verify the identify CK or the circumstances behind CK transferring \$126,000 into the bank account of Focus Automobile.

ORDERS

The Director ISSUES the following ORDERS as against Ogundipe, only:

Order to Cease and Desist

52. Pursuant to ORS 59.245(4), the Director hereby ORDERS Ogundipe and all entities owned or controlled by Ogundipe, their successors and assignees, to CEASE AND DESIST from violating any provision of the Oregon Securities Law, or any administrative rule adopted by the Director under those statutes.

Order Assessing Civil Penalties

53. The Director hereby assesses \$45,000 in CIVIL PENALTIES against Ogundipe for materially participating in “Van Straaten’s” violations of 59.135(2).

54. The Director hereby suspends \$43,000 of the \$45,000 CIVIL PENALTY for a period of three years, provided Ogundipe does the following:

///

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





- 1 (a) Upon execution of this Order, Ogundipe shall remit to CK \$30,000 as
2 restitution, payable as follows:
 - 3 i. \$2,000 due upon execution of the Order;
 - 4 ii. Beginning 30 days after execution of the Order, Ogundipe shall pay
5 \$800 per month for 35 months, due on or before the 10th day of each
6 month.
 - 7 iii. Ogundipe shall have all restitution payments made out to CK and shall
8 send all restitution payments directly to CK.
 - 9 iv. Ogundipe shall provide documentary evidence of each restitution
10 payment to the Division within five (5) calendar days of remitting each
11 payment.
- 12 (b) The remaining \$2,000 of the CIVIL PENALTY assessed herein is due and
13 payable upon the return of this Order to the Division.
- 14 (c) For three years following the effective date of this Order, Ogundipe shall
15 commit no new violations of the Oregon Securities Law, or of any rules
16 adopted thereunder.

17 55. The suspended amount of the CIVIL PENALTY (\$43,000) will be waived three
18 years from the effective date of this Order, provided Ogundipe has complied with the forgoing
19 Order terms and does not commit any further violations of the Oregon Securities law or the
20 rules adopted thereunder during that three year timeframe. The Director reserves the right to
21 immediately assess and collect the suspended CIVIL PENALTY upon a determination that
22 Ogundipe has violated any term of this Order or has committed any further violation of the
23 Oregon Securities Law.

24 56. This Order is binding upon Ogundipe, his successors and assigns.
25 ///
26 ///
///
///
///

