DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
SECURITIES SECTION
BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of:	**A-04-0001**
GREGORY LOUIS PECK	**ORDER TO CEASE AND DESIST ORDER IMPOSING CIVIL PENALTY ENTERED BY DEFAULT**
Respondent.	

On February 12, 2004 the Director of the Department of Consumer and Business Services for the State of Oregon, acting pursuant to Oregon Securities Law, ORS Chapter 59, issued Administrative Order A-04-0001, Order to Cease and Desist, Order Imposing Civil Penalty and Notice of Right to Hearing. Service was effected by mailing the Order and Notice by certified mail and regular mail to the last two known addresses of respondent Gregory Louis Peck in Portland, Oregon on February 13, 2004. All mailings, certified and regular, were returned to the Department of Consumer and Business Services as either "not deliverable as addressed, unable to forward" or "attempted, not known."

As of March 30, 2004, respondent Gregory Louis Peck has not filed a written request for a hearing in this matter.

NOW THEREFORE, after consideration of the Investigative Report and accompanying exhibits submitted in this matter by Robert Brunner, The Director hereby issues the following Findings of Fact, Conclusions of Law and Final Order:

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

FINDINGS OF FACT

The Director **FINDS** that:

1. Gregory Louis Peck (hereinafter "Peck") is not and never has been licensed to sell securities in the State of Oregon.

2. Peck's present location and residence are unknown.

3. Peck has, in the past, used several aliases: Gregory Michael Bowman, Louis Gregory Angileta and Gregory Louis Bowman.

4. On or about September 9, 1998 Peck solicited a $20,000.00 investment from Oregon resident Glen Berry (hereinafter "Berry"). Peck represented to Berry that the $20,000.00 would be given to United Christian Ministries (hereinafter "United") for good works and that Berry would receive large returns of up to 50% per month.

5. Berry was subsequently unable to contact Peck for over a year and during that time Berry received no information, statements or payments.

6. When Berry located Peck in March of 2000, Peck gave Berry a $1,000.00 Certificate of Deposit from the Island Falls International Credit Union (hereinafter "IFICU") as a substitute for the United investment. Peck told Berry that within 18 months the IFICU CD would be worth approximately $800,000.00 or more.

7. Peck also solicited investments in United and IFICU from 4 additional Oregon investors as follows:

a) Peck solicited a $1,000.00 investment in United from Mary Ballew (hereinafter "Ballew"). When the United investment failed to pay off, Peck gave Ballew a $1,000.00 CD purportedly issued by IFICU. Peck told Ballew that the CD would be worth $25,000.00 in two years.

b) Peck solicited a $1,000.00 investment in United from William Graham (hereinafter "Graham"). When the United investment failed to pay off, Peck gave Graham a CD in the amount of $1,000.00 purportedly issued by IFICU. Peck represented to Graham that Graham would receive a profit of approximately $1,000,000.00 in about two years.

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c) Peck solicited a $1,000.00 investment in United from Mary Brandt (hereinafter "Brandt"). When the United investment failed to pay off, Peck gave Brandt a CD in the amount of $1,000.00 purportedly issued by IFICU. Peck represented to Brandt that the CD would be worth $25,000.00 to $1,000,000.00 within about two years.

d) Ray Senkle (hereinafter "Senkle") loaned Peck thousands of dollars for rental expenses and to purchase real property. To repay those debts, Peck gave Senkle two $1,000.00 CD's purportedly issued by IFICU. Peck represented to Senkle that Senkle would realize a substantial, unspecified return on the two CD's.

6. Although Peck represented IFICU to be an actual Credit Union with billions in assets, no record of an entity called Island Falls International Credit Union has been found.

7. Peck created the IFICU CD's on a computer.

9. There is no record of any registration having been filed in the State of Oregon for any investment in United Christian Ministries or Island Falls International Credit Union

10. Peck failed to disclose to investors how investment in United or IFICU CD's would yield returns of the magnitude noted above.

11. Peck failed to disclose to investors that he was not licensed to sell securities in the State of Oregon.

12. Peck failed to disclose to investors that investments he offered in United and IFICU were not registered with the State of Oregon.

13. Peck did not disclose to investors that IFICU was a non existent credit union.

14. Peck did not disclose to investors that he had personally created the IFICU CD's on a computer.

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CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

1. The investments in United sold by Peck are investment contracts and therefore securities under ORS 59.015.

2. The CD's purportedly issued by IFIOCU and sold by Peck are securities under ORS 59.015.

3. Peck offered or sold the above securities without registering them with the State of Oregon in violation of ORS 59.055.

4. Peck offered or sold the above securities in the State of Oregon without being licensed to do so in violation of ORS 59.165.

5. Peck made untrue statements of material fact and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in violation of ORS 59.135 (2) by:

a) Failing to disclose to investors how investment in United or IFICU CD's would yield returns of the magnitude noted above.

b) Failing to disclose to investors that he was not licensed to sell securities in the State of Oregon.

c) Failing to disclose to investors that the investments he offered in United and IFICU were not registered with the State of Oregon.

d) Failing to disclose to investors that IFICU was a non existent credit union.

e) Failing to disclose to investors that he had personally created the IFICU CD's on a computer.

f) Telling investors that the IFICU CD's would yield thousands of dollars in profits.

g) Telling investors that IFICU had billions of dollars in assets.

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ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

1. Pursuant to ORS 59.245 respondent, Gregory Louis Peck shall **CEASE and DESIST** from:

a. Selling unregistered securities in the State of Oregon.

b. Selling Securities in the State of Oregon while not licensed to do so.

c. In connection with the offer or sale of securities, making any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

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

2. Pursuant to ORS 59.045 (2), respondent Gregory Louis Peck is **DENIED** the use of any exemptions that would otherwise be available to him under ORS 59.025 and ORS 59.035, concerning securities and transactions exempt from the registration requirements of the Oregon Securities Law.

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The Director, pursuant to ORS 59.995, **HEREBY ORDERS** the following **CIVIL PENALTIES:**

1.Respondent Gregory Louis Peck shall pay the following civil penalties:

a) **$5,000.00** for the unlawful sale of a CD to Glen Berry.

b) **$5,000.00** for the unlawful sale of a CD to Dixie Ballew.

c) **$5,000.00** for the unlawful sale of a CD to William Graham.

d) **$5,000.00** for the unlawful sale of a CD to Mary Brandt.

e) **$10,000.00** for the unlawful sale of 2 CD's to Ray Senkle.

for a **TOTAL CIVIL PENALTY OF $30,000.00**

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

Dated this 22nd day of APRIL, 2004 at Salem, Oregon.

CORY STREISINGER, DIRECTOR
DEPARTMENT OF CONSUMER & BUSINESS SERVICES

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