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: **SUSUMU ALAN SASAKI and MCCA OREGON CORPORATION** **Respondents.**	**S-07-0056** **ORDER TO CEASE AND DESIST** **ORDER DENYING EXEMPTIONS** **AND** **CONSENT TO ENTRY OF ORDER**

WHEREAS the Director (hereinafter "Director") of the Department of Consumer and Business Services (hereinafter "Department") has conducted an investigation of activities conducted by SUSUMU ALAN SASAKI (hereinafter "Sasaki") and MCCA Oregon Corporation (hereinafter "MCCA") and has determined that Sasaki and MCCA offered and sold securities in violation of the Oregon Securities Law; and

WHEREAS Sasaki and MCCA wish to resolve and settle this matter with the **DIRECTOR**;

NOW THEREFORE, as evidenced by the authorized signature subscribed on this Order, Sasaki and MCCA hereby **CONSENT** to entry of this Order to Cease and Desist upon the Director's Findings of Fact and Conclusions of Law as stated hereafter.

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350 Winter Street NE, Suite 410
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Telephone: (503) 378-4387

FINDINGS OF FACT

1. Sasaki resides at 16212 SE Stephens St., Portland, OR 97233. MCCA is an inactive Oregon domestic business corporation with a business address of 12471 SE 126th Ave., Portland, OR 97236.

2. Neither Sasaki nor MCCA have ever been licensed to sell securities in the state of Oregon.

3. Sasaki and one of his former corporations, Capital Mortgage Banking Corporation

(hereinafter "CMBC") were the subject of a May 2000 Cease and Desist Order, O-00-0004 (hereinafter "the Order"), issued by the Department's Division of Finance and Corporate Securities (hereinafter "DFCS"). The Order found that Sasaki and CMBC had committed numerous violations of Oregon mortgage lending law. The Order imposed a $30,750 civil penalty, of which $30,750 was suspended for a period of three years, and waived in its entirety thereafter, on the condition, which was satisfied, that Sasaki and CMBC not violate any provision of Chapter 59 of the Oregon Revised Statutes during that time. The Order, like all Cease and Desist Orders issued by the DFCS was a matter of public record.

4. In October 2006, a DFCS investigator received a complaint regarding an investment made with Sasaki and MCCA. Based on this complaint DFCS conducted an investigation of Sasaki and MCCA. The initial investigation revealed that Sasaki was selling securities in violation of Oregon securities laws. DFCS assisted with an ongoing criminal prosecution into this transaction that was conducted by the Clackamas County District Attorney's Office.

5. In 1998 or 1999 Sasaki met Peter Gabriel Bourlin ("Mr. Bourlin"), an Oregon resident, at a church in Happy Valley, Oregon where Sasaki was serving as an usher.

6. In 2004 Sasaki offered Mr. Bourlin an investment in a joint venture (the "Joint Venture") with MCCA. The Joint Venture was not registered with DFCS as a security.

7. Mr. Bourlin accepted the offer by signing a written memorandum laying out the terms of the Joint Venture, and tendering a $25,000 check to Sasaki Realty, Inc. Sasaki deposited this check into an account in the name of Sasaki Realty, Inc. that he alone controlled.

8. Instead of investing Mr. Bourlin's $25,000 Sasaki spent the money on personal expenses and payment of unrelated debts.

9. Mr. Bourlin invested the money with the expectation that he would profit from the investment. Under the terms of the Joint Venture, Sasaki and MCCA were to pay a percentage of the profits from the Joint Venture to Mr. Bourlin. Mr. Bourlin was not an active participant in the management of the Joint Venture. Sasaki, acting alone, through MCCA, managed the Joint

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Venture.

10. At no time did Sasaki or MCCA provide or offer to provide financial statements or cash flow projections that would have allowed Mr. Bourlin to independently gauge the financial health and business prospects of the Joint Venture.

11. To induce investment in the Joint Venture, Sasaki, acting alone through MCCA, made either untrue or materially misleading representations to Mr. Bourlin, including that Mr. Bourlin's $25,000 investment would be invested in real estate, and that Sasaki would personally guarantee a return of $50,000 within 6 months.

12. To induce Mr. Bourlin's investment in the Joint Venture, Sasaki, acting alone though MCCA, omitted to state that Sasaki intended to and did use Mr. Bourlin's funds for Sasaki's personal expenses; that Sasaki had previously filed for bankruptcy; that neither Sasaki, Sasaki Realty or MCCA held a securities license in Oregon or any other state authorizing sale of interests in the Joint Venture; that interests in the Joint Venture were not registered for sale as securities under Oregon Securities Law; that Sasaki and his former company, CMBC, had previously been the subject of an Order issued by the Director with respect to brokerage of real estate mortgages; and that potential risk factors in the marketplace existed that could jeopardize the profitability of the Joint Venture.

13. At no time did Sasaki or MCCA hold a broker-dealer or broker-dealer salesperson license in Oregon.

14. As a result of the theft of Mr. Bourlin's $25,000, Sasaki was indicted on March 12, 2007, for 1 Count of Securities Fraud (ORS 59.135), a Class B Felony, 1 Count of Sale of An Unregistered Security (ORS 59.055), a Class B Felony, and 1 Count of Aggravated Theft In The First Degree (ORS 164.057), a Class B Felony, before a Clackamas County Grand Jury, Case No. 07-00466.

15. After negotiations with the Clackamas County District Attorney, Sasaki pleaded guilty in Clackamas County Circuit Court on January 9, 2008 to the charge of Aggravated First Degree

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Theft, as a result of his theft of Mr. Bourlin's $25,000. Sasaki was sentenced to confinement to Clackamas County Jail for service of sixty (60) sanction units and sixty (60) months probation, a condition of which is that he pay restitution to Mr. Bourlin.

16. A civil judgment of $ 57,477.14 was also entered against Sasaki, Sasaki Realty and MCCA in Clackamas County Circuit Court on March 22, 2006, Case No. CV05070765, as a result of Sasaki's theft of Mr. Bourlin's investment funds.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

1. The investment sold by Sasaki and MCCA is a security as defined in ORS 59.015(19)(a).

2. Sasaki's and MCCA's sale of an investment to Mr. Bourlin constitutes sale of an unregistered security in violation of ORS 59.055.

3. Sasaki and MCCA sold a security in Oregon without a license in violation of ORS 59.165(1).

4. Sasaki and MCCA made a material misrepresentation in the sale of a security by telling Mr. Bourlin that they would invest the money in a joint venture when in fact the money was used for Sasaki's own personal benefit, in violation of ORS 59.135(2).

5. Sasaki and MCCA made a material misrepresentation in the sale of a security, in violation of ORS 59.135(2), by telling Mr. Bourlin that Sasaki would personally guarantee a 100% return on investment within six months.

6. Sasaki and MCCA omitted six (6) material facts, each in violation of ORS 59.135(2), when they omitted to state the following: that they intended to use Mr. Bourlin's funds for Sasaki's personal benefit; that Sasaki had previously filed for bankruptcy; that neither Sasaki or MCCA held a securities license in Oregon or any other state authorizing sale of interests in the Joint Venture; that interests in the Joint Venture were not registered for sale as securities under Oregon Securities Law; that Sasaki and his former company, CMBC, had previously been the

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subject of an Order issued by the Director with respect to brokerage of real estate mortgages; and that potential risk factors in the marketplace existed that could jeopardize the profitability of the Joint Venture.

ORDER

The Director, pursuant to ORS 59.245 hereby **ORDERS** that Sasaki and MCCA shall **CEASE and DESIST** from:

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

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

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

4. Sasaki and MCCA are permanently **DENIED** the use of securities registration and transaction exemptions that would otherwise be available to him under ORS 59.025 and ORS 59.035, respectively;

5. Sasaki and MCCA are permanently **BARRED** from applying for or renewing any investment adviser, broker-dealer or securities salesperson license in the State of Oregon;

6. Sasaki and MCCA are permanently **BARRED** from applying to register or renew any securities registration in the State of Oregon;

7. Sasaki and MCCA are permanently **BARRED** from applying for, holding, or renewing any license or registration required by the Director in Oregon, including but not limited to insurance, consumer finance, manufactured structure dealer or mortgage lending. Sasaki and MCCA are further **BARRED** from acting as a mortgage loan originator in Oregon.

8. Sasaki and MCCA are ordered to pay the sum of **FIFTY THOUSAND DOLLARS** ($50,000) as a **CIVIL PENALTY** for the violations of ORS 59.055, 59.135, and 59.165 described herein. Sasaki and MCCA are jointly and severally liable for the civil penalty. The

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civil penalty is calculated as follows: $5000 for violation of ORS 59.055; $5000 for violation of ORS 59.165; and $40,000 for violations of ORS 59.135 ($5,000 x 8).

9. To ensure that Mr. Bourlin receives restitution commensurate with his loss, the Director elects to **SUSPEND** this civil penalty so long as Sasaki complies with the Clackamas County Circuit Court's Restitution Order in Case No. 07-00466. If the Director determines that Sasaki is not complying with the Court's Restitution Order in Case No. 07-00466 the Civil Penalty shall become immediately due and owing in its entirety.

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

Dated this 22nd day of December, 2009, at Salem, Oregon.

CORY STREISINGER, Director
Department of Consumer and Business Services

/s/ David Tatman
David Tatman, Administrator
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CONSENT TO ENTRY OF ORDER

I, Susumu Alan Sasaki, state that I am a resident of the State of Oregon, that I have read the foregoing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been 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 of the Oregon Securities Law by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Dated this 1st day of December, 2009.

/s/ SASAKI
Susumu Alan Sasaki

SUBSCRIBED AND SWORN to before me this 1st day of December, 2009.

/s/ Andrei Simescu

(Printed Name of Notary Public)
Notary Public
for the State of: Oregon
My commission expires: Feb. 7th, 2010

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