

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING) Order Number S-07-565-08-SC01
Whether there has been a violation of the)
Securities Act of Washington by:) STATEMENT OF CHARGES AND NOTICE
) OF INTENT TO ENTER ORDER TO CEASE
) AND DESIST AND TO CHARGE COSTS
) AND IMPOSE FINES
Poulson Investing, LLC;)
Joshua Poulson; and)
Mayela Poulson)
Respondents)

THE STATE OF WASHINGTON TO: Poulson Investing, LLC
Joshua Poulson
Mayela Poulson

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Poulson Investing, LLC, Joshua Poulson, and Mayela Poulson have each violated the Securities Act of Washington and that their violations justify the entry of an order of the Securities Administrator under RCW 21.20.390 against each to cease and desist from such violations, imposing fines pursuant to RCW 21.20.395, and charging costs pursuant to RCW 21.20.390(5). The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

I. RESPONDENTS

1. Poulson Investing, LLC (“Poulson Investing”), is a Utah Limited Liability Company with its principal place of business in Spanish Fork, Utah.

1 in the form of promissory notes. The investments made totaled at least \$90,000. None of the
2 Washington investors were accredited or sophisticated. All of the investors described above
3 wired or mailed money to Respondents' bank account located in the State of Utah.

4 7. Respondents made contact with investors either through personal friendships
5 and/or family acquaintances. Respondents told investors their money would be used to purchase
6 real estate, that they would receive a return of 2% per month, and that their investment money
7 would be secured by real property. Respondents told the Washington investors that their
8 investment would be a secure opportunity to generate monthly cash-flow with little or no risk.
9 Respondents even recommended obtaining a home equity loan to at least one Washington
10 investor to take advantage of their investment opportunity.
11

12 IV. MISREPRESENTATIONS AND OMISSIONS

13 8. Joshua and Mayela Poulson failed to provide material information regarding
14 Poulson Investing, LLC, including, but not limited to, prospectus information, such as financial
15 statements, use of the proceeds of the offering, and general and specific risk factors involved in
16 the investment.

17 V. REGISTRATION STATUS

18 9. Poulson Investing, LLC is not currently and has not previously been
19 registered to offer and/or sell its securities in the State of Washington.
20

21 10. Joshua Poulson is not currently registered as a securities salesperson or
22 broker-dealer in the State of Washington and has not previously been so registered.

23 11. Mayela Poulson is not currently registered as a securities salesperson or
24 broker-dealer in the State of Washington and has not previously been so registered.
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2 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:

3 **CONCLUSIONS OF LAW**

4 1. The offer and/or sale of the investments described above constitute the offer
5 and/or sale of a security as defined in RCW 21.20.005(10) and (12).

6 2. In connection with the offer and/or sale of said securities, Respondents, Poulson
7 Investing, LLC, Joshua Poulson, and Mayela Poulson, have each violated RCW 21.20.010
8 because, as set forth in the Tentative Findings of Fact, Respondents made misstatements of
9 material facts and/or omitted to state material facts necessary in order to make the statements
10 made, in light of circumstances under which they were made, not misleading and/or engaged in
11 acts and practices that operated as fraud or deceit.

12 3. Poulson Investing, LLC, Joshua Poulson and Mayela Poulson each violated RCW
13 21.20.140 by offering and selling unregistered securities.

14 4. Joshua Poulson violated RCW 21.20.040 by offering and selling said securities
15 while not registered as a securities salesperson or broker-dealer in the State of Washington.

16 5. Mayela Poulson violated RCW 21.20.040 by offering and selling said securities
17 while not registered as a securities salesperson or broker-dealer in the State of Washington.
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21 **NOTICE OF INTENT TO ORDER RESPONDENTS TO CEASE AND DESIST**

22 Pursuant to RCW 21.20.390, and based on the above Tentative Findings of Fact and
23 Conclusions of Law, the Securities Administrator intends to order that Respondents, Poulson
24 Investing, LLC, Joshua Poulson, and Mayela Poulson, and their agents and employees, each shall
25 cease and desist from violations of RCW 21.20.010, RCW 21.20.140, and RCW 21.20.040.

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2 **NOTICE OF INTENT TO IMPOSE FINES**

3 Pursuant to RCW 21.20.395 and based upon the Tentative Findings of Fact and
4 Conclusions of Law, the Securities Administrator intends to order that Respondents, Poulson
5 Investing, LLC, Joshua Poulson, and Mayela Poulson, each shall be liable for and pay a fine of
6 \$5,000.
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8 **NOTICE OF INTENT TO CHARGE COSTS**

9 Pursuant to RCW 21.20.390 and based upon the Tentative Findings of Fact and
10 Conclusions of Law, the Securities Administrator intends to order that the Respondents, Poulson
11 Investing, LLC, Joshua Poulson, and Mayela Poulson, each shall be liable for and pay the
12 Securities Division the costs, fees and other expenses incurred in the conduct of the
13 administrative investigation and hearing of this matter, in an amount not less than \$1,500.
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15 **AUTHORITY AND PROCEDURE**

16 This STATEMENT OF CHARGES AND NOTICE OF INTENT TO ISSUE AN
17 ORDER TO CEASE AND DESIST, IMPOSE FINES, AND CHARGE COSTS is entered
18 pursuant to the provisions of RCW 21.20.390 and RCW 21.20.395 and is subject to the
19 provisions of Chapters 21.20 and 34.05 RCW. The Respondents, Poulson Investing, LLC,
20 Joshua Poulson, and Mayela Poulson, each may make a written request for a hearing as set forth
21 in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
22 accompanying this Order.
23

24 If a respondent does not request a hearing, the Securities Administrator intends to adopt
25 the above Tentative Findings of Fact and Conclusions of Law as final, enter a permanent order


1 against those respondents to cease and desist from violations of the Securities Act, and enter an
2 order imposing the fine and charging costs, as described above.

3 Dated and Entered this 25th day of February, 2008.


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6 MICHAEL E. STEVENSON
7 Securities Administrator

8 Approved by:

9 
10 Martin Cordell
11 Chief of Enforcement

Presented by:

12 
13 Patrick Kim
14 Enforcement Attorney