

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION

IN THE MATTER OF DETERMINING ) Order Number S-08-181-08-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 IMPOSE FINES  
 ) AND CHARGE COSTS  
Robert Edwards d/b/a E-Z Unlimited; )  
Robert Pecord; and )  
Capital Asset Group, LLC )  
Respondents )

THE STATE OF WASHINGTON TO: Robert Edwards d/b/a E-Z Unlimited  
Robert Pecord  
Capital Asset Group, LLC

**STATEMENT OF CHARGES**

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Robert Edwards d/b/a E-Z Unlimited, Robert Pecord, and Capital Asset Group, LLC, 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. Robert Edwards d/b/a E-Z Unlimited (“Edwards”) is believed to be a resident of Idaho.



1 investor again wired \$50,000 to CAG's Key Bank account from the same Wells Fargo bank  
2 account located in Seattle, WA.

3 8. The first five interest payments on the first note were paid to the investor by  
4 Edwards. The first two payments on the second note were also paid to the investor by Edwards.  
5 In May, 2005, both notes were consolidated and then transferred from Edwards to Pecord and  
6 CAG. The same conditions, terms and dates under the original notes were maintained, however,  
7 the monthly interest payment for the combined notes was set at 8%.

8 9. Pecord and CAG's final payment to the investor was in July, 2006, in the amount  
9 of \$1000. The investor has made numerous written demands to Pecord and CAG for the return  
10 of his principal to no avail.

11 10. In May of 2008, Edwards offered the investor \$4,000 to withdraw his complaint  
12 to the Securities Division. The investor declined the offer and instead requested that Edwards  
13 assist him in obtaining the return of his principal owed from Pecord and CAG. As of the date of  
14 the entry of this Statement of Charges, the investor has not received any additional interest  
15 payments and has not received a return of his principal investment.

### 16 III. MISREPRESENTATIONS AND OMISSIONS

17 11. Robert Edwards and Robert Pecord failed to provide the Washington investor  
18 material information regarding the Capital Asset Group, LLC investment, including, but not  
19 limited to, prospectus information such as financial statements, and general and specific risk  
20 factors involved in the investment.  
21

### 22 IV. REGISTRATION STATUS

23 12. Capital Asset Group, LLC is not currently and has not previously been  
24 registered to offer and/or sell its securities in the State of Washington.  
25



1                   **NOTICE OF INTENT TO ORDER RESPONDENTS TO CEASE AND DESIST**

2                   Pursuant to RCW 21.20.390, and based on the above Tentative Findings of Fact and  
3 Conclusions of Law, the Securities Administrator intends to order that Respondents, Robert  
4 Edwards d/b/a E-Z Unlimited, Robert Pecord, and Capital Asset Group, LLC, and their agents  
5 and employees each shall cease and desist from violations of RCW 21.20.010, RCW 21.20.140,  
6 and RCW 21.20.040.

7   **NOTICE OF INTENT TO IMPOSE FINES**

8                   Pursuant to RCW 21.20.395 and based upon the Tentative Findings of Fact and  
9 Conclusions of Law, the Securities Administrator intends to order that Respondents, Robert  
10 Edwards d/b/a, Robert Pecord, and Capital Asset Group, LLC, each shall be liable for and pay a  
11 fine of \$5,000.

12   **NOTICE OF INTENT TO CHARGE COSTS**

13                   Pursuant to RCW 21.20.390 and based upon the Tentative Findings of Fact and  
14 Conclusions of Law, the Securities Administrator intends to order that the Respondents, Robert  
15 Edwards d/b/a E-Z Unlimited, Robert Pecord, and Capital Asset Group, LLC, each shall be liable  
16 for and pay the Securities Division the costs, fees and other expenses incurred in the conduct of  
17 the administrative investigation of this matter, in an amount not less than \$2,500.  
18

19   **AUTHORITY AND PROCEDURE**

20                   This STATEMENT OF CHARGES AND NOTICE OF INTENT TO ISSUE AN  
21 ORDER TO CEASE AND DESIST, IMPOSE FINES, AND CHARGE COSTS is entered  
22 pursuant to the provisions of RCW 21.20.390 and RCW 21.20.395 and is subject to the  
23 provisions of Chapter 34.05 RCW. The Respondents, Robert Edwards d/b/a E-Z Unlimited,  
24 Robert Pecord, and Capital Asset Group, LLC, each may make a written request for a hearing as

1 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR  
2 HEARING accompanying this Order.


3 If a respondent does not request a hearing, the Securities Administrator intends to adopt  
4 the above Tentative Findings of Fact and Conclusions of Law as final, enter a permanent order  
5 against that respondent to cease and desist from violations of the Securities Act, and enter an  
6 order imposing the fine and charging costs, as described above.  
7

8 Dated and Entered this 11th day of August, 2008.


9 

10 \_\_\_\_\_  
11 MICHAEL E. STEVENSON  
12 Securities Administrator

12 Approved by:

13   
14 Martin Cordell  
15 Chief of Enforcement

12 Presented by:

13   
14 Patrick Kim  
15 Enforcement Attorney