Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF: **MATRIX LASER TECHNOLOGIES, LLC,** **JUSTIN C. WILLIAMS,** **Respondents.**	**ORDER TO SHOW CAUSE** **Docket No.** SD-18-0023 **Docket No.** SD-18-0024

It appears to the Director of the Utah Division of Securities (Director) that Matrix Laser Technologies, LLC and Justin C. Williams have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over Respondents and the subject matter is appropriate because the Division alleges that they violated § 61-1-1 (securities fraud) of the Act while engaged in the offer

and sale of securities in or from Utah.

STATEMENT OF FACTS

THE RESPONDENTS

2. Matrix Laser Technologies, LLC (MLT) is a Utah limited liability company, formed on November 12, 2008. Justin C. Williams is listed as the registered agent and manager for MLT. MLT's status as a business entity is delinquent. MLT has never been licensed by the Division as a broker/dealer agent nor an issuer/agent to sell securities.

3. Justin C. Williams (Williams) was, at all relevant times, a resident of Summit County, Utah. Williams has never been licensed as a broker-dealer, agent, investment advisor, or investment advisor representative in Utah.

GENERAL ALLEGATIONS

4. From approximately January 2007 to February 2007, Respondents offered and sold securities to an investor, in or from Utah, and collected a total of $50,000.

5. Williams made material omissions in connection with the offer and sale of securities to the investor below.

6. The investor lost $42,500 in principal alone.

INVESTOR CW

7. In January 2007, CW met Williams at the development where Williams lived and CW worked as a security guard.

8. On February 7, 2009, Williams invited CW to spend the night at Williams' home due to a severe storm that night.

9. While at Williams' home, Williams showed CW many expensive items in his house, including a $150,000 painting, three or four Ferraris in the garage, and photos of private jets that Williams claimed to own. Williams gave CW the impression that he was wealthy.

10. Williams told CW about his medical business, MLT. Williams made the following statements about MLT:

    a. Williams had invested in several types of medical devices;

    b. MLT was worth $250,000,000;

    c. Once a year Williams allowed three to five people to invest in MLT;

    d. If CW invested $60,000 he would earn a $7,500 return after three months.

11. Two days later, Williams drove a Ferrari through the security gate where CW was on duty. Williams again asked if CW wanted to invest in MLT. Williams made the following statements about MLT:

    a. The minimum amount to invest is now $50,000, not $60,000; and

    b. CW could still earn $7,500 in returns after three months.

12. Williams told CW not to tell anyone about the investment opportunity because Williams did not want anyone to take advantage of the offer.

13. Based on Williams' representations, CW decided to invest $50,000 in MLT. CW told Williams that he would invest, but CW's funds were held in a certificate of deposit account and would take some time to withdraw.

14. A few days later, Williams brought CW a check for $57,500. The check was post-dated for May 15, 2009.

15. Shortly thereafter, CW met Williams' wife and told her to let Williams know that CW would have the funds in a few days. When Williams learned of this conversation, he told CW not to tell Williams' wife anything because she had nothing to do with his business.

16. On February 13, 2009, CW gave a Home Savings Bank Official Check for $50,000 made payable to Matrix Laser Technologies, LLC to Williams.

17. CW deposited the $57,500 check from Williams before the due date and it came back due to insufficient funds.[1] CW informed Williams of what had happened.

18. Williams told CW that he would bring CW another $57,500 check later, but never did.

19. On May 11, 2009, Williams discussed an option with CW for him to be paid back quarterly. Under the option, Williams claimed that CW would get back $300,000 within three years.

20. On May 13, 2009, CW mailed Williams an acceptance letter to be paid quarterly under the option.

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[1]Bank records reveal that, on February 17, 2009, a stop payment was placed on the check Williams gave to CW.

21. On May 15, 2009, Williams gave CW a check from MLT for $7,5000 along with a letter that stated, "[p]er your instructions the $50,000 investment has rolled over for another quarter. The next interest payment will be due to you on 8-15-09 for $8,015 as the rate has adjusted in your favor $515 this quarter."

22. Using a source and use analysis, bank records reveal that $15,700 of CW's $50,000 investment funds were transferred to Williams' personal checking account and used in the following manner:

a. $320.87 paid for a returned deposit;

b. $2,502.51 paid to All Points Capital Corp;

c. $3,777.65 paid to Rodger Investigation;

d. $740.40 paid to Wells Fargo Auto Fin.;

e. $1,172.15 paid to BMW Financial SVS;

f. $2,500 paid to Cit-Click 2 Pay;

g. $20 paid for a Returned Deposit Fee;

h. $2,100 paid for an oriental rug; and

i. $2,566.42 paid to an individual.

CAUSES OF ACTION

COUNT I
Securities Fraud under § 61-1-1 of the Act

23. The Division incorporates and re-alleges paragraphs 1 through 22.

24. The investment opportunities offered and sold by Respondents are securities under § 61-1-13 of the Act.

25. In connection with the offer and sale of securities to investors, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made not misleading:

a. Some or all of the information typically provided in an offering circular or prospectus regarding MLT, such as:

i. The business and operating history for MLT or Williams;

ii. Financial statements;

iii. Risk factors for investors; and

iv. Suitability factors for the investment.

b. Williams was going to stop payment on the $57,500 check;

c. A detailed description of how an investment with MLT was able to generate such a high return in only three months;

d. $15,700 of CW's investment money would be transferred into Williams' personal checking account; and

e. Williams' businesses had judgments of over $113,000 from civil suits brought against them.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63G-4-202, -204 through -208, and held before the Utah Division of Securities. The hearing will occur on Tuesday, June 1, 2010, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If Respondents fail to file an answer and appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63G-4-209. In lieu of default, the Division may decide to proceed with the hearing under § 63G-4-208. At the hearing, Respondents may show cause, if any they have:

a. Why Respondents should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause;

b. Why Respondents should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act; and

c. Why Respondents should not be ordered to pay a fine, jointly and severally, of $75,000 to the Division of Securities, which may be reduced by restitution paid to the investor.

DATED this 12th day of April, 2010.

THAD LEVAR
Acting Director
Utah Division of Securities

Approved:

JEFF BUCKNER
Assistant Attorney General
J. S.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
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Salt Lake City, UT 84114-6760
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BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF: **MATRIX LASER TECHNOLOGIES, LLC,** **JUSTIN C. WILLIAMS,** **Respondents.**	**NOTICE OF AGENCY ACTION** **Docket No.** [illegible] **Docket No.** [illegible]

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

You are hereby notified that agency action in the form of an adjudicative proceeding has been commenced against you by the Utah Division of Securities (Division). The adjudicative proceeding is to be formal and will be conducted according to statute and rule. See Utah Code Ann. §§ 63G-4-201 and 63G-4-204 through 209; see also Utah Admin. Code R151-46b-1, *et seq*. The legal authority under which this formal adjudicative proceeding is to be maintained is Utah Code Ann. § 61-1-20. You may be represented by counsel or you may represent yourself in this proceeding. Utah Admin. Code R151-46b-6.

You must file a written response with the Division within thirty (30) days of the mailing date of this Notice. Your response must be in writing and signed by you or your representative. Your response must include the file number and name of the adjudicative proceeding, your version of the

facts, a statement of what relief you seek, and a statement summarizing why the relief you seek should be granted. Utah Code Ann. § 63G-4-204(1). In addition, pursuant to Utah Code Ann. § 63G-4-204(3), the presiding officer requires that your response:

(a) admit or deny the allegations in each numbered paragraph of the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission. Allegations in the Order to Show Cause not specifically denied are deemed admitted;

(b) identify any additional facts or documents which you assert are relevant in light of the allegations made; and

(c) state in short and plain terms your defenses to each allegation in the Order to Show Cause, including affirmative defenses, that were applicable at the time of the conduct (including exemptions or exceptions contained within the Utah Uniform Securities Act).

Your response, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:

Administrative Court Clerk
c/o Julie Price
Utah Division of Securities
160 E. 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600

A copy to:

Jeff Buckner
Assistant Attorney General
160 East 300 South, 5th Floor
Salt Lake City, UT 84114-0872
(801) 366-0310

An initial hearing in this matter has been set for June 1, 2010 at the Division of Securities, 2nd Floor, 160 East 300 South, Salt Lake City, Utah, at 9:00 A.M.

If you fail to file a response, as described above, or fail to appear at any hearing that is set, the presiding officer may enter a default order against you without any further notice. Utah Code Ann. § 63G-4-209; Utah Admin. Code R151-46b-10(11). After issuing the default order, the presiding officer may grant the relief sought against you in the Order to Show Cause, and will conduct any further proceedings necessary to complete the adjudicative proceeding without your participation and will determine all issues in the proceeding. Utah Code Ann. § 63G-4-209(4); Utah Admin. Code R151-46b-10(11)(b). In the alternative, the Division may proceed with a hearing under § 63G-4-208.

The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6648. This adjudicative proceeding will be heard by Mr. Eklund and the Utah Securities Commission. You may appear and be heard and present evidence on your behalf at any such hearings.

You may attempt to negotiate a settlement of the matter without filing a response or proceeding to hearing. To do so, please contact the Utah Securities Division. Questions regarding the Order to Show Cause should be directed to the Division's attorney, Jeff Buckner, at (801) 366-0310.

Dated this 12th day of April, 2010.

Thad LeVar
Acting Director, Division of Securities

Certificate of Mailing

I certify that on the 13th day of April, 2010, I mailed, by certified mail, a true and correct copy of the Notice of Agency Action and Order to Show Cause to:

Matrix Laser Technologies, LLC
Justin C. Williams
8450 Sunrise Loop
Park City, UT 84098
Certified Mail # 7009 2820 0001 2595 4905

Executive Secretary