

Division of Securities
Utah Department of Commerce
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Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
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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 ENTRY OF DEFAULT AND
ORDER**

Docket No. *SD-10-0023*

Docket No. *SD-10-0024*

I. BACKGROUND

A formal adjudicative proceeding was initiated by the Division's Order to Show Cause (OSC) and Notice of Agency Action (Notice) dated April 12, 2010, against Matrix Laser Technologies, LLC and Justin C. Williams, advising them to file an answer or appear at a hearing set for June 1, 2010 or default would be entered against them. A hearing was convened on July 6, 2010, but they failed to appear and no response was received or filed by the Respondents.

II. FINDINGS OF FACT

THE RESPONDENTS

1. 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.

2. 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

3. 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.
4. Williams made material omissions in connection with the offer and sale of securities to the investor below.
5. The investor lost \$42,500 in principal alone.

INVESTOR CW

6. In January 2007, CW met Williams at the development where Williams lived and CW worked as a security guard.
7. On February 7, 2009, Williams invited CW to spend the night at Williams' home due to a severe storm that night.
8. 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.

9. 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.
10. 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.
11. Williams told CW not to tell anyone about the investment opportunity because Williams did not want anyone to take advantage of the offer.
12. 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.
13. A few days later, Williams brought CW a check for \$57,500. The check was post-dated for May 15, 2009.
14. 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.

15. On February 13, 2009, CW gave a Home Savings Bank Official Check for \$50,000 made payable to Matrix Laser Technologies, LLC to Williams.
16. 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.
17. Williams told CW that he would bring CW another \$57,500 check later, but never did.
18. 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.
19. On May 13, 2009, CW mailed Williams an acceptance letter to be paid quarterly under the option.
20. On May 15, 2009, Williams gave CW a check from MLT for \$7,500 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."
21. 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:

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

- 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.

III. CONCLUSIONS OF LAW

- 22. The service of the OSC and the Notice initiating these proceedings is valid upon the Respondents.
- 23. Despite notice, Respondents Matrix Laser Technologies, LLC and Justin C. Williams failed to file a response or otherwise appear.
- 24. Because they failed to file a written response to the OSC of May 20, 2010, within 30 days and because they failed to appear at the initial hearing on June 1, 2010, they are in default.
- 25. The investment opportunities offered and sold by MLT and Williams are securities under § 61-1-13 of the Act.
- 26. In connection with the offer and sale of securities to an investor, MLT and Williams,

directly or indirectly, failed to disclose material information, which was necessary in order to make representations made not misleading, including, but not limited to the following,:

- 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.

27. Based upon the foregoing, Matrix Laser Technologies, LLC and Justin C. Williams violated § 61-1-1 of the Act.


J. STEVEN EKLUND
Administrative Law Judge

Approved:



JEFF BUCKNER
Assistant Attorney General

J.S.

IV. ORDER

Based on the above, the Securities Commission hereby:

1. Declares Matrix Laser Technologies, LLC and Justin C. Williams in default for failing to file a written response to the April 12, 2010 OSC and for failing to appear at the July 6, 2010 hearing.
2. Enters, as its own findings, the Findings of Fact described in Section II above.
3. Enters, as its own conclusions, the Conclusions of Law described in Section III above.
4. Finds that Respondents violated the Utah Uniform Securities Act by failing to disclose material information which was necessary to make the statements made not misleading, in connection with the offer and sale of a security in or from Utah in violation of § 61-1-1(2).
5. Orders Respondents to permanently CEASE and DESIST from any violations of the Act..
6. Orders Matrix Laser Technologies, LLC and Justin C. Williams Jeffrey B. Johnson to pay a fine of seventy-five thousand dollars (\$75,000), jointly and severally, to the Division within 30 days of the entry of this Order, which may be reduced by restitution paid to the

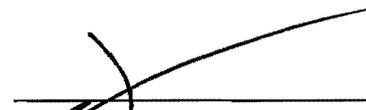
investor.

DATED this 28th day of October, 2010.

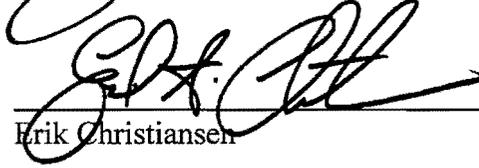




Tim Bangerter



Jane Cameron



Erik Christiansen

Laura Polacheck



Michael O'Brien

Pursuant to § 63-46b-11(3), Respondent may seek to set aside the Default Order entered in this proceeding by filing such a request with the Division consistent with the procedures outlined in the Utah Rules of Civil Procedure.

CERTIFICATE OF MAILING

I, Julie Price, hereby certify that on the 15th day of November 2010, I mailed, by certified mail, a true and correct copy of the forgoing **Notice of Entry of Default and Order** to:

Matrix Laser Technologies, LLC
Justin C. Williams
c/o Michael L. Labertew
2825 E Cottonwood Pkwy #500
Salt Lake City, UT 84121
Certified Mail #: 7008 1140 0004 1642 0831



Julie Price
Executive Secretary

Division of Securities
Utah Department of Commerce
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**AFFIDAVIT OF SERVICE AND NON
RESPONSE**

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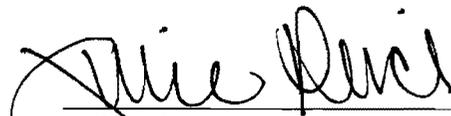
I, Julie Price, first being duly sworn, depose and state as follows:

1. I am the Executive Secretary for the Department of Commerce Division of Securities (the Division).
2. As executive secretary for the Division, I am responsible for supervising the mailing of the Division's Orders to Show Cause and for receiving any responses filed by the Respondents.
3. On April 13, 2010, the Division served, by certified mail, an Order to Show Cause (OSC) dated April 12, 2010, to Matrix Laser Technologies, LLC and Justin C. Williams along with a Notice of Agency Action (Notice), advising that a default order would be entered if

they failed to appear at a hearing set for Tuesday June 1, 2010, or file a written response to the OSC within thirty (30) days of the mailing date of the Notice. The Notice designated the adjudicative proceeding as formal.

4. On April 19, 2010, the OSC mailed to MLT and Williams was returned without a forwarding address. The OSC was again served by certified mail to MLT and Williams at P.O. Box 4526, Park City, Utah 84060-4526 on April 20, 2010.
5. On May 20, 2010, the OSC mailed to MLT and Williams was returned without a forwarding address. The OSC with a hearing set for Tuesday July 6, 2010, was again served by certified mail to MLT and Williams at 4927 Last Stand Drive, Park City, Utah on May 24, 2010 and returned without a forwarding address on June 1, 2010.
6. A hearing was convened on July 6, 2010. Respondents did not appear nor did they file a Response.
7. As of the date of this Affidavit, the respondent has not filed the required response.

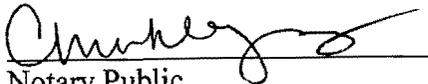
DATED this TH day of October 2010.



Julie Price
Executive Secretary

SALT LAKE COUNTY)
) ss
STATE OF UTAH)

Signed and subscribed to before me this TH day of October 2010.


Notary Public

