

Division of Securities
Utah Department of Commerce
160 East 300 South
P.O. Box 146760
Salt Lake City, Utah 84114-6760
Telephone: 801 530-6600

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

IN THE MATTER OF:

**WESTERN PACIFIC SECURITIES,
INC., CRD#26354; and
LEONARD V. ROSS, CRD#405128**

Respondents.

ORDER TO SHOW CAUSE

Docket No. SD-10-00210

Docket No. SD-10-00217

It appears to the Director ("Director") of the Utah Division of Securities ("Division") that Respondents Western Pacific Securities, Inc. ("Western Pacific") and Leonard V. Ross ("Ross") (referred to collectively at times as "Respondents") may have engaged in acts and practices that violate the Utah Uniform Securities Act ("Act"), Utah Code Ann. § 61-1-1, *et seq.* Those acts and practices are more fully described herein. Based upon the Division's investigation into 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 FACTS

The Parties

1. Western Pacific is a broker-dealer located in Fresno, California. It is not licensed in Utah.

2. Ross is the Chief Executive Officer, Chief Compliance Officer and majority owner of Western Pacific. Although Ross has been previously licensed in Utah as a broker-dealer agent of several other firms, he has never been licensed in Utah with Western Pacific.
3. On August 26, 2009, the Division received a Form D Rule 506 notice filing for a private placement offering by Hisaw Partner, L.P. ("Hisaw"), Division File No. B00868517.
4. The Form D filing identified Ross and Western Pacific as recipients of sales compensation for selling the offering, and identified Utah as a state in which sales of the offering were being made.
5. On September 8, 2009, the Division received correspondence from legal counsel for Hisaw indicating that "the first (and only) sale of securities in Utah took place on January 24, 2009."
6. On March 15, 2010, the Division sent a letter to Western Pacific requesting information about Utah investors and copies of sales agreements between Western Pacific and entities for which securities sales were made to any Utah investor.
7. On March 22, 2010, Ross responded by a letter denying any unlicensed activity in Utah, and did not provide the information requested in the Division's March 15, 2010 letter.
8. On March 15, 2010, the Division also sent a letter to Hisaw's counsel requesting information about the offering, including a list of Utah investors, copies of sales agreements between Hisaw and Western Pacific, and a list of commissions paid for sales to Utah investors.
9. On April 1, 2010, Hisaw's counsel provided a written response and documentation as requested by the Division, which indicated that contrary to the September 8, 2009

representation, two sales of the offering were made by Ross and Western Pacific to a married couple residing in Utah. The first sale, in the amount of \$50,000, was made on January 24, 2009. The second sale, also in the amount of \$50,000, was made June 30, 2009. Ross and Western Pacific were paid a commission of \$10,000 for the sales.

10. The letter further stated that Hisaw had since sold its assets, repaid the investors \$102,272.73 and had ceased to do business.

FIRST CAUSE OF ACTION
Unlicensed Broker-Dealer and Agent Under § 61-1-3 of the Act

11. Ross violated Section 61-1-3(1) of the Act by transacting business in Utah as a broker-dealer agent without being licensed.
12. Western Pacific violated Section 61-1-3(1) of the Act by transacting business in Utah as a broker-dealer without being licensed.
13. Western Pacific violated Section 61-1-3(2)(a) in employing or engaging an unlicensed agent, Ross.

REQUEST FOR RELIEF

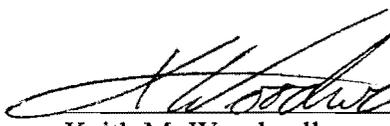
The Director, pursuant to Utah Code Ann. § 61-1-20, hereby orders the Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63G-4-202 and 63G-4-204 through -209, and held before the Division. As set forth in the Notice of Agency Action accompanying this Order, Respondents are required to file a written response with the Division, and an initial hearing on this matter has been scheduled for June 8, 2010 at 9a.m. The initial hearing will take place at the Division of Securities, 2nd floor, 160 East 300 South, Salt Lake City, Utah. The purpose of the initial hearing is to establish a scheduling order and address

any preliminary matters. If Respondents fail to file a written response or appear at the initial hearing, findings may be entered, a permanent Order to Cease and Desist may be issued, and a fine may be imposed against Respondents, as provided by Utah Code Ann. §§ 63G-4-206 or -209.

At the Order to Show Cause hearing, Respondents may show cause, if any they have:

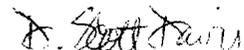
1. Why Respondents should not be found to have engaged in the violations of the Act alleged by the Division in this Order to Show Cause;
2. Why Respondents should not be ordered permanently to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-3 or any other section of the Act;
3. Why Respondents should not be ordered to each pay a fine to the Division in the amount of \$5,000.

Dated this 28th day of April, 2010


Keith M. Woodwell
Director, Utah Division of Securities



Approved:



D. Scott Davis
Assistant Attorney General

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:

**WESTERN PACIFIC SECURITIES, INC.,
CRD#26354; and
LEONARD V. ROSS, CRD**

Respondents.

NOTICE OF AGENCY ACTION

Docket No. SD-10-0026

Docket No. SD-10-0027

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:

D. Scott Davis
Assistant Attorney General
Utah Division of Securities
160 East 300 South, 5th Floor
Salt Lake City, UT 84114-0872
(801) 366-0310

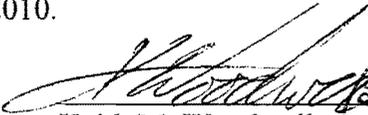
An initial hearing in this matter has been set for June 8, 2010 at the Division of Securities, 2nd Floor, 160 East 300 South, Salt Lake City, Utah, at 9am.

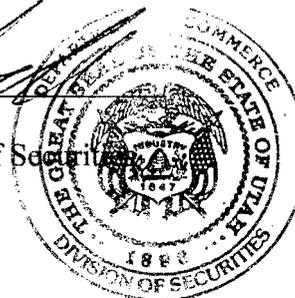
If you fail to file a response, as described above, or fail to appear at any hearing that is set, the presiding officer may enter a default order against you without any further notice. Utah Code Ann. § 63G-4-209; Utah Admin. Code R151-46b-10(11). After issuing the default order, the presiding officer 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 Attorney General's Office. Questions regarding the Order to Show Cause should be directed to D. Scott Davis, Assistant Attorney General, 160 E. 300 South, 5th Floor, Box 140872, Salt Lake City, UT 84114-0872, Tel. No. (801) 366-0310.

Dated this 28th day of April, 2010.


Keith M. Woodwell
Director, Division of Securities

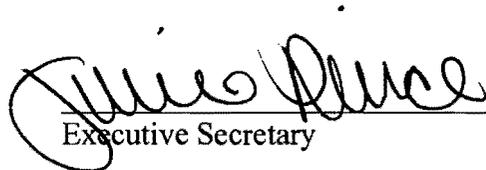


Certificate of Mailing

I certify that on the 29th 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:

Western Pacific Securities Inc.
Attn: Leonard V. Ross
1080 West Sierra Ste. 105
Fresno, CA 93704

Certified Mail # 7009 2820 0001 2595 4998



Executive Secretary