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:	**ORDER TO SHOW CAUSE**
UTAH GROWTH, LLC, **ABM INVESTMENT MANAGEMENT COMPANY,** **G. JASON PAISOLA,** **TRISHA LEE PAISOLA,** **Respondents.**	**Docket No.** SD-10-0030 **Docket No.** SD-10-0031 **Docket No.** SD-10-0032 **Docket No.** SD-10-0033

It appears to the Director of the Utah Division of Securities (Director) that Utah Growth, LLC, ABM Investment Management Company, G. Jason Paisola and Trisha Lee Paisola 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. Utah Growth, LLC (Utah Growth) is a Utah limited liability company, formed on November 2, 2006. G. Jason Paisola is listed as the registered agent and manager for Utah Growth. Utah Growth's status as a business entity is expired. Utah Growth has never been licensed by the Division as a broker/dealer agent nor an issuer/agent to sell securities.

3. ABM Investment Management (ABM) is a putative business entity whose real identity is unknown. It is not registered as a business entity or assumed business name in Utah. ABM has never been licensed by the Division as a broker/dealer agent nor an issuer/agent to sell securities. ABM is purportedly owned and operated by Jason Paisola.

4. G. Jason Paisola (Paisola) was, at all relevant times, a resident of the State of Utah. Paisola has never been licensed as a broker-dealer, agent, investment advisor, or investment advisor representative in Utah.

5. Trisha L. Paisola (Trisha) was, at all relevant times, a resident of the State of Utah.

Trisha has never been licensed as a broker-dealer, agent, investment advisor, or investment advisor representative in Utah.

GENERAL ALLEGATIONS

6. From approximately December 2006 to August 2008, Respondents offered and sold securities to investors, in or from Utah, and collected a total of $120,000.

7. Paisola made material misrepresentations and omissions in connection with the offer and sale of securities to the investor below.

8. The investor lost $91,375 in principal.

INVESTORS CS AND AS (HUSBAND AND WIFE)

9. In early 2007, CS met Paisola and Trisha at a church building in Salt Lake City, Utah where they volunteered.

10. A short time later, CS again met with Paisola at CS's office. Paisola told CS that he was in the business of realty investments. Paisola said he purchased homes from people who could not afford payments and resold them for a profit.

11. Paisola said past investors had earned profits by investing in Utah Growth through investment contracts.

12. Paisola said Utah Growth's investors received monthly interest payments for the term of the contract and a lump sum payment at the end of the contract.

13. CS expressed interest in investing with Utah Growth, but Paisola told CS to wait for an

opening.

1ST PROMISSORY NOTE

14. In or around June of 2007, Paisola met CS and AS at their home and told them that there was an opening to invest with Utah Growth. Paisola told CS and AS to invest a "small amount" at first and he would talk with them later when a larger amount could be invested.

15. Paisola asked CS and AS whether they had any money "lying around in savings" accounts, such as children's education funds or credit card accounts which allow cash withdrawals.

16. Paisola said that CS and AS would make a much higher interest with Utah Growth than if they left that money in the bank.

17. Paisola made the following statements about a potential $10,000 investment with Utah Growth:

    a. CS and AS would receive $375 every quarter for a year, totaling $1500 in interest at the end of the contract;

    b. CS and AS would receive a lump sum payment of the $10,000 principal at the end of the contract;

    c. CS and AS had nothing to worry about in investing $10,000 with Utah Growth because the money was secure and there was no way they would ever lose their

money;

d. There was no risk involved in the investment;

e. Even in a worst-case scenario, CS and AS would be paid their interest and principal; and

f. In no way would he ever hurt CS and AS or their family.

18. Based on Paisola' representations, CS and AS decided to invest $10,000 in Utah Growth. On July 26, 2007, CS and AS gave Paisola a $10,000 check made payable to Paisola. Trisha deposited the check in Paisola's personal bank account at Wells Fargo.

19. In exchange for the $10,000 funds CS and AS received a promissory note dated July 26, 2007, listing Utah Growth as the borrower and CS as the payee. The note was signed and executed by Paisola and Trisha.

20. Paisola fulfilled the terms of the note and paid CS and AS their investment return totaling $11,500.

2ND PROMISSORY NOTE

21. On December 21, 2007, Paisola approached CS and AS at their home in Salt Lake County, Utah about making a larger investment.

22. Paisola said that this particular investment opportunity would require $100,000 from CS and AS.

23. When CS told Paisola that $100,000 was too much money to come up with in cash,

Paisola said that CS and AS could get that money if they had that amount of equity in their home, which they did.

24. Paisola then encouraged CS and AS to get a second loan on their home so they could have the $100,000 to invest.

25. Paisola made the following statements about a potential $100,000 investment with his company:

    a. CS and AS had nothing to worry about because he had "fail-safes" in place in case the market went bad;

    b. He would ensure that CS and AS receive their total investment back at the end of the contract;

    c. CS and AS would earn 2% return on their money;

    d. CS and AS would receive a bonus payment of $25,000 along with the $100,000 principal at the end of the contract;

    e. A $5,000 deposit that day was required to secure the investment; and

    f. He only had three positions to fill with investors so CS and AS must "think quickly" because he could not wait one more day before he let other investors take their position;

26. CS told Paisola he was worried that Paisola would destroy their family finances and "leave them on the street" if he lost their investment funds. Paisola tried to calm and persuade

CS, saying he would never hurt their family by losing their money.

27. Paisola also told CS that he was simply an investor too. Because he did not have a realtor license or brokers license, Paisola also told CS not to mention Paisola's name to any realtor because he did not want to be "investigated."

28. Based on Paisola' representations, CS and AS decided to invest $100,000 in Paisola's company. On December 21, 2007, CS and AS gave Paisola a $5,000 check made payable to ABM to secure their place in the investment.

29. January 22, 2008, CS and AS gave Paisola a $95,000 check made payable to ABM from a $100,000 home equity loan. Trisha endorsed and deposited the check.

30. In exchange for the $100,000 funds CS and AS received a second promissory note dated January 25, 2008, listing Paisola, Trisha, and Utah Growth as the borrowers and CS and AS as the payees. The note was signed and executed by Paisola and Trisha.

31. Paisola made eight payments to CS and AS totaling $16,000. Respondents still owe CS and AS $84,000 in principal on the note.

3RD PROMISSORY NOTE

32. In or around August 2008, Paisola met CS and AS at their home and told them that there was another "small" investment opening with Utah Growth for CS and AS to invest $10,000 with substantially identical terms as the first promissory note.

33. Based on Paisola' representations, CS and AS invested $10,000 in Utah Growth. In or

around August 2008, CS and AS gave Paisola a check for $10,000.

34. In exchange for the $10,000 investment, CS and AS received a third promissory note dated August 28, 2008, listing Utah Growth as the borrower and CS as the payee. The note was signed and executed by Paisola and Trisha.

35. Paisola made three payments to CS and AS totaling $1,125. Respondents still owe CS and AS $8,875 in principal on the third note and $92,875 total.

CAUSES OF ACTION

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

36. The Division incorporates and re-alleges paragraphs 1 through 35.

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

38. In connection with the offer and sale of securities to investors, Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

    a. That the investment was completely secure, when in fact, the investment was not secure;

    b. That there was no possible way that CS and AS would lose their money, when in fact, they did lose most of their money;

    c. That the worst case scenario would be CS and AS getting their money back, when in fact, the worst case scenario was CS and AS not getting their money back;

d. That the investment was foolproof, when in fact, Respondents were unable to return the investment funds;

e. That there was no risk, when in fact, every investment has risk; and

f. That the family of CS and AS would not be harmed financially, when in fact, their family was harmed financially.

39. 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. That ABM did not exist as a registered entity.

b. Some or all of the information typically provided in an offering circular or prospectus regarding Utah Growth, such as:

i. The business and operating history for Utah Growth, ABM, Paisola, or Trisha;

ii. Financial statements;

iii. Risk factors for investors;

iv. Suitability factors for the investment;

v. Whether the investment is a registered security or exempt from registration; and

vi. Whether Paisola was licensed to sell securities.

ORDER

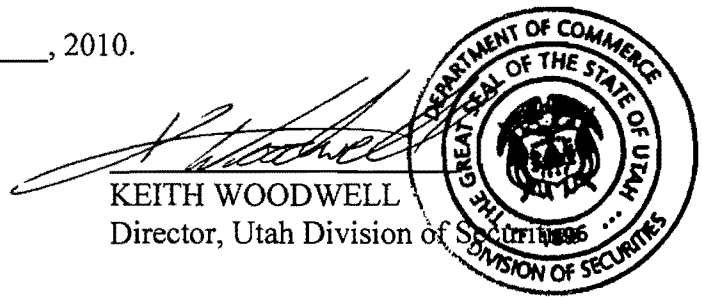
The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63G-4-202, -204 through -208, and held before the Utah Division of Securities. The hearing will occur on Tuesday, August 10, 2010, at 9:00 a.m., 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 $30,000 to the Division of Securities, which may be reduced by restitution paid to the investor.

DATED this 10th day of June, 2010.



KEITH WOODWELL
Director, Utah Division of Securities

Approved:

JEFF BUCKNER
Assistant Attorney General
T.B.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
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:	**NOTICE OF AGENCY ACTION**
UTAH GROWTH, LLC, **ABM INVESTMENT MANAGEMENT COMPANY,** **G. JASON PAISOLA,** **TRISHA LEE PAISOLA,** **Respondents.**	**Docket No.** SD-10-0020 **Docket No.** SD-10-0021 **Docket No.** SD-10-0022 **Docket No.** SD-10-0023

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 August 10, 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 10th day of June, 2010.

KEITH WOODWELL
Director, Division of Securities

Certificate of Mailing

I certify that on the 14th day of June, 2010, I mailed, by certified mail, a true and correct copy of the Notice of Agency Action and Order to Show Cause to:

Utah Growth, LLC
G. Jason Paisola
Trisha Paisola
3950 Davencourt Loop
Lehi, UT 84043
Certified Mail # 7009 2820 0001 2595 4707

Executive Secretary