

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 THE
SALE OF FEDERAL COVERED
SECURITIES PURSUANT TO
REGULATION D, RULE 506 OF
THE SECURITIES ACT OF 1933 BY:**

HARMONIC ENERGY, INC.;
FILE #B00954148

Respondent

**PETITION FOR ORDER
SUSPENDING THE OFFER AND
SALE OF A FEDERAL-COVERED
SECURITY**

Docket No. SD-11-0023

The Utah Division of Securities (“Division”) hereby petitions the Director of the Division, (“Director”) to enter an Order, pursuant to the authority granted under § 61-1-15.5(4) of the Utah Uniform Securities Act (“Act”) Utah Code Ann. §§ 61-1-1 *et seq.*, (1953, as amended), and subject to the approval by a majority of the Securities Commission (“Commission”), suspending the offer and sale of a federal-covered security by Harmonic Energy, Inc., (“Respondent”).

STATEMENT OF JURISDICTION

1. Jurisdiction over Respondent and the subject matter is appropriate because the Division

alleges that Respondent has failed to submit a complete filing with all documents and fees as required by § 61-1-15.5(2) of the Act and by § R164-15-2 of the Utah Administrative Code (“Rules”) promulgated thereunder. Section 18(c)(2)(A) of the Securities Act of 1933 provides that “[n]othing in this section prohibits the securities commission (or any agency or office performing like functions) of any State from requiring the filing of any document filed with the Commission pursuant to this title.” Section 18(c)(3) of the Securities Act of 1933 authorizes the Division to suspend the offer or sale of securities within “[a] State . . . as a result of the failure to submit any filing or fee required under law and permitted under this section.”

STATEMENT OF FACTS

THE RESPONDENT

2. Respondent is an active Nevada corporation first registered on May 1, 2007. Its principal place of business is located at Suite 167, #406-917 85th Street SW, Calgary, Alberta, Canada.

GENERAL ALLEGATIONS

3. On August 23, 2010 the Division received from the Respondent a notice filing pursuant to §61-1-15.5 of the Act and § R164-15-2 of the Rules.
4. On August 23, 2010, Nadene Adams, Administrative Assistant for the Division’s Corporate Finance Section contacted Respondent’s President and CEO, Dan Forigo, by phone and informed him of deficiencies in the filing. Forigo provided Adams with his e-mail address

and requested that she provide him with a list of matters to be resolved. The address provided by Forigo was dan@harmonicenergyinc.com. The same day, Adams sent Forigo an e-mail informing him of the following deficiencies:

- a. No statement was included with the filing disclosing either the date of the first sale of securities to a Utah resident or stating that sales had yet to occur in Utah. This disclosure is required by §R164-15-2(C)(1)(d) of the Rules.
 - b. An incorrect and insufficient fee payment was included with the filing. Respondent submitted \$60.00. The Division fee schedule in effect at the time of Respondent's filing required a payment of \$100.00 for filings made no later than 15 days after the first date of sale to a Utah resident or \$500.00 for filings made after the aforementioned 15-day period. Assessment of this fee is permitted by §61-1-15.5(2) of the Act.
5. On September 9, 2010, Adams attempted to again contact Forigo by telephone. No one answered the call and no voice mail system was in use.
 6. On December 8, 2010, Adams was able to leave a follow-up voice message on Respondent's telephone number informing Forigo of the need to respond to the earlier request for information. On the same day, Adams sent a follow-up e-mail containing the original August 23, 2010 e-mail message and a statement that failure to respond would result in the Division petitioning for a Stop Order on Respondent's offering.

7. On February 3, 2011 the Division posted a letter to Respondent's address of record, directing Respondent to remedy all deficiencies in the filing within 20 days. The letter stated that failure to do so would result in the filing of a Petition for Stop Order as well as an Order to Show Cause imposing additional fines.
8. The Division received no response to its mailing and the Director of the Division's Corporate Finance Section, Benjamin Johnson, determined that a Petition for a Stop Order should be filed and the Securities Commission informed in its regularly-scheduled March 17, 2011 meeting.
9. On March 9, 2011, in a courtesy effort to encourage Respondent's personnel to complete the filing before the March Commission meeting, Ms. Adams performed additional Internet searches and found another contact e-mail address for the Respondent, this address was contact@harmonicenergyinc.com. Adams sent a message to this address that included all previous e-mails and referenced the February 3 letter. Forigo then contacted Adams and denied all knowledge of any previous e-mail messages or of the Division's February 3 letter—stating that Adams' previous messages had gone to an employee who no longer worked for the Respondent and the employee had forwarded nothing to him. Forigo requested that Adams e-mail him a copy of the Division's February 3 letter to the e-mail address referenced in this paragraph. Adams sent the e-mail the same day informing Forigo that March 14 would be the last day to cure the deficiencies referenced in the letter.

10. On March 14, 2011, Ms. Adams left voice mail and e-mail messages for Mr. Forigo reminding him of the deadline and that all funds necessary to bring Respondent's filing fees into compliance would need to be wired to the Division by the end of the day. Mr. Forigo e-mailed back using the original dan@harmonicenergyinc.com address referenced in Paragraph 4 and at which Forigo denied receiving the Division's previous messages (as described above in Paragraph 9). Forigo claimed he had forwarded the information to his attorney and was unable to contact him. Adams replied that she would be willing to send wiring instructions for the money and asked if that would help Respondent pay before the end of the day. Forigo replied at 3:29 p.m. with an e-mail saying "Please." Ms. Adams replied with the wiring information in an e-mail sent at 3:32 p.m. Despite his representations, Forigo did not wire any funds and has made no subsequent attempts to contact the Division.

GROUND FOR RELIEF

11. The Division incorporates and re-alleges paragraphs 1 through 10.
12. Sections 61-1-15.5(4) and 61-1-20 of the Act empower the Division Director to approve the filing of this Petition and commence an adjudicative proceeding pursuant to Title 63G, Chapter 4, Utah Administrative Procedures Act. After notice and a hearing, the Division Director, with the concurrence of a majority of the Securities Commission, may "issue a Stop Order suspending the offer and sale of a federal covered security, except a covered security

under Section 18(b)(1) of the Securities Act of 1933, if the director finds that the order is in the public interest and there is a failure to comply with any condition established under this section.”

13. A complete notice filing was not made by the Respondent. Furthermore, the Division is troubled by Mr. Forigo’s repeated failures to follow-up in good faith on his representations and by his claims to have not received earlier e-mail messages at an e-mail address that he provided to the Division and that he subsequently continued to use for communications with the Division after making those denials. The apparent bad faith and delaying tactics employed by Mr. Forigo in the face of courteous and professional requests from the Division render the granting of this Petition necessary and strongly in the public interest.

REQUEST FOR RELIEF

WHEREFORE, the Division respectfully requests that the Director, with the concurrence of a majority of Securities Commission members, issue a Stop Order Suspending the Offer and Sale of a Federal-Covered Security pursuant to the provisions set forth in §61-1-15.5(4) of the Act.

DATED this 21st day of March, 2011.

**DIVISION OF SECURITIES
UTAH DEPARTMENT OF COMMERCE**


Benjamin Johnson
Director of Corporate Finance

APPROVED FOR FILING

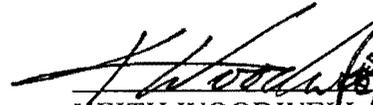

Jeff Buckner
Assistant Attorney General

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondent 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 Wednesday, May 4, 2011, 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 may grant the Division's Request for Relief 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 a Stop Order should not be imposed suspending the Respondent's offer and sale of federal covered securities as described herein; and
- b. Why Respondents should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-15.5, or any other section of the Act.

DATED this 21st day of March, 2011.


KEITH WOODWELL
Director, Utah Division of Securities



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 THE
SALE OF FEDERAL COVERED
SECURITIES PURSUANT TO
REGULATION D, RULE 506 OF
THE SECURITIES ACT OF 1933 BY:**

HARMONIC ENERGY, INC.;
FILE #B00954148

Respondent

NOTICE OF AGENCY ACTION

Docket No. SD-11-0023

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENT:

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 Petition for Stop Order, including a detailed explanation for any response other than an unqualified admission. Allegations in the Petition for Stop Order 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 Petition for Stop Order, 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

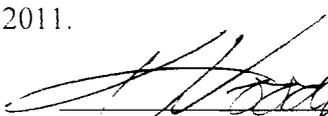
An initial hearing in this matter has been set for May 4, 2011 at the Division of Securities, 2nd Floor, 160 East 300 South, Salt Lake City, Utah, at 9:00 A.M.

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 Petition for Stop Order, 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 Angela Hendricks, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6035. This adjudicative proceeding will be heard by Ms. Hendricks 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 Petition for Stop Order should be directed to the Division's attorney, Jeff Buckner, at (801) 366-0310.

Dated this 21st day of March, 2011.


KEITH WOODWELL
Director, Division of Securities



Evidence of Mailing

I certify that on the 22nd day of March 2011, I mailed a true and correct copy of the Notice of Agency Action and Petition for Stop Order to the following address provided by Respondent on Respondent's Form U-2, Consent to Service of Process:

Harmonic Energy, Inc.
Suite 167, #406-917 85th St. SW
Calgary, Alberta, CA T3H 5K2



Executive Secretary