# STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS SECURITIES DIVISION

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IN THE MATTER OF DETERMINING Whether there has been a violation of the Securities Act of the State of Washington by:

Pan American Global Group, Inc.; Peter Pintarics; Hampton Bond Program; Hampton, Broadstone & Oliver, Inc.; and Patrick Pogue; Order Number S-00-023-06-FO02

ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW AND FINAL ORDER TO CEASE AND DESIST AS TO PETER PINTARICS AND PAN AMERICAN GLOBAL GROUP, INC.

Respondents.

THE STATE OF WASHINGTON TO: Peter Pintarics individually and as President of Pan American Global Group Inc

On December 6, 2001, the Securities Administrator of the State of Washington issued SDO-104-01 hereinafter referred to as Summary Order to Pan American Global Group, Inc.; Peter Pintarics; Hampton Bond Program; Hampton, Broadstone & Oliver, Inc.; and Patrick Pogue.

The Summary Order, SDO-104-04, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing", were personally served on Peter Pintarics and Pan American Global Group Inc; on July 12, 2006. The Notice of Opportunity for Hearing advised Pan American Global Group Inc and Peter Pintarics that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. Pan American Global Group Inc; and Peter Pintarics each failed to request an administrative hearing within twenty days of

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receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided or otherwise.

The Securities Administrator therefore will adopt as final as to Pan American Global Group Inc and Peter Pintarics the findings of fact and conclusions of law as set forth in the Statement of Charges.

The Securities Administrator makes the following findings of fact and conclusions of law:

## FINDINGS OF FACT

I.

Pan American Global Group, Inc. is a Washington corporation with its principal place of business at Rainier Plaza Ste 2370, 777 NE 108<sup>th</sup> Avenue, Bellevue, WA 98004. Pan American Global Group, Inc. previously maintained offices in Redmond and before that in Duvall. Pan American Global Group, Inc. maintained a website at www.panamglobal.com from December 1997 through at least September 25, 2001.

II.

Peter Pintarics is President of Pan American Global Group, Inc.

III.

Hampton, Broadstone & Oliver, Inc. is an Oklahoma business entity with its principal office at 7912 E 31<sup>st</sup> Ct Suite 100, Tulsa, OK 74145. Hampton, Broadstone, & Oliver, Inc. maintained a website <a href="https://www.financr.com">www.financr.com</a> from December 20, 1996 through at least July 20, 2001.

IV.

Pan American Global Group, Inc. represented that it arranged for funding of business projects by linking businesses with venture capital firms, private investors, and investment banking firms. It

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Securities Division PO Box 9033 Olympia, WA 98507-9033 360-902-8760 advertised its services on its website. It also provided services to clients face to face at its offices. One financing program Pan American Global Group, Inc. offered was Hampton Bond Program of Hampton, Broadstone & Oliver, Inc. Peter Pintarics, on behalf of Pan American Global Group, Inc.; represented that Hampton Bond Program was a self-liquidating corporate bond program, which allows companies to raise \$5 million to \$50 million. In addition to paying for the loan, the program also provided bonus income for four years. Hampton, Broadstone & Oliver, Inc. represented that its program was designed by an attorney/certified public accountant/investment banker, was copyrighted in 1997, and is registered with the United States government. Hampton, Broadstone & Oliver, Inc. arranges for the sale of convertible debenture bonds, then places the sales proceeds with a trust pursuant to an indenture. The trustee used some of the proceeds to buy United States Treasury bonds. Those Treasury bonds would guarantee that principal and interest on the bonds issued through the Hampton program were paid. In fact, there is no such thing as a self-liquidating loan.

In order to use Hampton Bond Program, the company would be required to pay a \$50,000 licensing fee and an additional \$35,000 for other fees to Pan American Global Group, Inc. The company might also have to pay \$5,000 to \$20,000 in legal fees and filing fees. Those fees could be paid either through third parties or through Pan American Global Group, Inc.

Pintarics and Pan American Group, Inc. represented that only one applicant for a loan through the program had been denied and that applicant had proposed to purchase a house of prostitution. They represented that the program could be used for all legal purposes, that billions of dollars are sold each month, that there are hundreds of buyers, and that if a client fully cooperates the program will be successful and the client will get the funds it needs. Pintarics, Pogue, and agents or employees of Pan

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American Global Group, Inc. repeatedly told purchasers that their loans would be funded if they provided additional information or documentation. Contrary to these representations, in reality, no loans were funded through the program.

V.

From May 1999 through late September 2000, Pan American Global Group, Inc. sold at least four customers Hampton Bond Program. It took in at least \$375,000 from those customers, two of whom were Washington residents. Pan American Global Group, Inc. may have received as much as \$560,000 in additional sales from more than eight other investors. Some of those purchases were from customers in foreign countries. Foreign investors were required to set up Washington corporations and to give a portion of the stock in those corporations to Pan American Global Group, Inc. or Pintarics. Pan American Global Group, Inc. transferred a portion of the funds it received from customers to Hampton, Broadstone & Oliver, Inc.

VI.

Neither Pan American Global Group, Inc. nor Hampton, Broadstone & Oliver, Inc. nor Hampton Bond Program is currently registered to sell its securities in the state of Washington and none has previously been so registered.

Based upon the above Findings of Fact, the following Conclusions of Law are made:

### CONCLUSIONS OF LAW

I.

The offer and/or sale of Hampton Bond Program described above constitutes the offer and/or sale of a security as defined in RCW 21.20.005(10) and (12).

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CONCLUSIONS OF LAW AND FINAL ORDER TO CEASE AND DESIST

ENTRY OF FINDINGS OF FACT AND

The offer and/or sale of said securities is in violation of RCW 21.20.140 because no registration or notification of claim of exemption for such offer and/or sale is on file with the Administrator of Securities, state of Washington and it appears that the respondent does not otherwise qualify for an exemption from registration.

III.

The offer and/or sale of said securities was made in violation of RCW 21.20.010 because offerees were that paying the upfront fees for the program would result in the funding of a self-liquidating loan to their companies when no loans were funded and there is no such thing as a self-liquidating loan.

#### FINAL ORDER

Based upon the above Findings of Fact and Conclusions of Law it is hereby

ORDERED that respondents Peter Pintarics and Pan American Global Group Inc., their agents, and employees each cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140, the section of the Securities Act of Washington requiring registration.

It is further ORDERED that Peter Pintarics and Pan American Global Group Inc., their agents, and employees each cease and desist from violation of RCW 21.20.010, the anti-fraud section of the Securities Act.

### **AUTHORITY AND PROCEDURE**

This Final Order is entered pursuant to the provisions of 21.20.390, and is subject to the provisions of Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this

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1	agency action under the provisions of chapter 34.05 RCW. For the requirements for filing a Petition for
	Judicial Review, see RCW 34.050.510 and sections following.
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3	WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.
4	WILLI'UL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.
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6	DATED this 21 <sup>st</sup> day of August 2006.
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8	midel E, Stevenson
9	MICHAEL E. STEVENSON
10	Securities Administrator
11	Presented by:
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14	Suzanne Sarason Program Manager
15	Compliance and Examinations
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