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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

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

LEGACY CAPITAL GROUP;
PACIFIC CAPITAL DEVELOPMENT;
GUY BEATTY,

Respondents.

Order Number S-05-015-06-CO01

CONSENT ORDER

INTRODUCTION

On September 9, 2005, the Securities Administrator of the State of Washington issued Statement of Charges, S-05-015-05-SC01, against the Respondents, Legacy Capital Group, Pacific Capital Development, and Guy Beatty. The Securities Division and Respondents, Legacy Capital Group, Pacific Capital Development, and Guy Beatty, do hereby enter into this Consent Order in settlement of the above captioned matter. The Securities Division has, in the Statement of Charges, made certain allegations and conclusions, set forth under the headings "Tentative Findings of Fact" and "Conclusions of Law". Legacy Capital Group, Pacific Capital Development, and Guy Beatty neither admit nor deny the Tentative Findings of Fact and Conclusions of Law which are hereby incorporated by reference into this Consent Order.

CONSENT ORDER

Based upon the foregoing and finding it in the public interest:

1 IT IS AGREED AND ORDERED that Respondents, Legacy Capital Group, Pacific Capital
2 Development, Guy Beatty, and their agents and employees, each shall cease and desist from offering or
3 selling securities in violations of RCW 21.20.140, the securities registration section of the Securities Act
4 of Washington.

5 IT IS FURTHER AGREED AND ORDERED that Respondents, Legacy Capital Group, Pacific
6 Capital Development, Guy Beatty, and their agents and employees, each shall cease and desist from
7 acting as an unregistered securities broker-dealer or salesperson in violation of RCW 21.20.040, the
8 broker-dealer and securities salesperson registration section of the Securities Act of Washington.

9 IT IS FURTHER AGREED AND ORDERED that Respondents, Legacy Capital Group, Pacific
10 Capital Development, Guy Beatty, and their agents and employees, each shall cease and desist from
11 violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

12 IT IS FURTHER AGREED AND ORDERED, pursuant to RCW 21.20.110(1), that Respondent
13 Guy Beatty shall not make application for nor be granted a broker-dealer, securities salesperson,
14 investment adviser and/or investment adviser representative license from the date of entry of this
15 Consent Order by the Securities Administrator.

16 IT IS FURTHER AGREED AND ORDERED that Respondent Guy Beatty shall be liable for and
17 pay a fine in the amount of Twenty Thousand Dollars (\$20,000), of which Fifteen Thousand Dollars
18 (\$15,000) is suspended based on future compliance with this order. The Respondents shall make
19 payments of Five Hundred Dollars (\$500) per month for ten consecutive months and each payment shall
20 be due by the 15th day of the month. The first payment shall be due on February 15, 2008. The Twenty
21 Thousand Dollar (\$20,000) fine imposed in this order shall become immediately due and payable upon
22 failure to make any payment.

1 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

2 IT IS FURTHER AGREED that in consideration of the foregoing, Respondents, Legacy Capital
3 Group, Pacific Capital Development, and Guy Beatty, each waive their right to a hearing in this matter
4 and judicial review of this order.

5 The Securities Division will seek enforcement of the Consent Order pursuant to RCW 21.20.395 if
6 Respondents, Legacy Capital Group, Pacific Capital Development, and Guy Beatty, violate this Order.

7 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

8
9 SIGNED this 6th day of February, 2008.

10 Approved for entry by:

11
12 /s/
13 Gregory Newton, Attorney for Respondents
14 The Newton Law Firm PC, OR Bar # 82353

15 Signed by:

16 /s/
17 Guy Beatty, principal of Legacy Capital Group

18 Signed by:

19 /s/
20 Guy Beatty, managing member of Pacific Capital Development

