

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:

Joshua Poulson, Mayela Poulson and Poulson
Investing, LLC ;

Respondents.

Order Number S-07-565-08-CO01

CONSENT ORDER

On February 25, 2008, The Securities Administrator of the State of Washington issued Statement of Charges S-07-565-08-SC01 against Respondents Joshua Poulson, Mayela Poulson and Poulson Investing, LLC. The Securities Division and Respondents Joshua Poulson, Mayela Poulson and Poulson Investing, LLC do hereby enter into this CONSENT ORDER in settlement of the above captioned matter. The Securities Division made certain allegations and conclusions in this matter in the Statement of Charges. Respondents Joshua Poulson, Mayela Poulson and Poulson Investing, LLC admit to the Findings of Fact and Conclusions of Law as stated herein.

FINDINGS OF FACT

I. RESPONDENTS

1. Poulson Investing, LLC ("Poulson Investing"), is a Utah Limited Liability Company with its principal place of business in Spanish Fork, Utah.

2. Joshua Poulson ("Joshua") is the registered agent and managing member of Poulson Investing, LLC. Joshua was a resident of Utah, but is currently residing in Washington.

CONSENT ORDER

3. Mayela Poulson (“Mayela”) is the only other member of Poulson Investing. Mayela was a resident of Utah, but is currently residing in Washington.

II. BACKGROUND

4. On November 21, 2007, the Utah Division of Securities issued an order to show cause against Respondents and Mayela Poulson, for taking money from investors for an investment scheme in real estate notes. It was alleged that several investors were encouraged to obtain second mortgages on their homes to increase the amount that could be invested with Poulson Investing. Investors were told their money would be used by Poulson Investing to purchase undervalued real estate at low prices, which would then be sold for profit. Investors were also told the risk of the investment was low because property was backing the investment. Lastly, the investors were told the investment would earn enough money to pay off both the first and second mortgages on the investors' homes.

5. In January, 2008, the Utah County Attorney's Office filed felony criminal charges against Joshua Poulson for taking investment funds from an investor. The one count of second degree securities fraud alleged that Joshua Poulson made false and misleading statements to entice the investor to give money to Joshua Poulson and that Joshua Poulson failed to provide full disclosure to the investor about how the investment would be used and the risks of the investment. Joshua Poulson entered into a plea of abeyance with the State for a term of 36 months, pursuant to which he agreed to pay restitution to the alleged victims in the amount of \$75,225.

III. NATURE OF THE OFFERING

6. Between May 2006 and May 2007, Joshua and Mayela Poulson offered and sold investments in Poulson Investing to at least three Washington investors. The investments were in the form of

1 promissory notes. The investments made totaled at least \$90,000. None of the Washington investors were
2 accredited or sophisticated. All of the investors described above wired or mailed money to Respondents'
3 bank account located in the State of Utah.

4 7. Respondents made contact with investors either through personal friendships and/or family
5 acquaintances. Respondents told investors their money would be used to purchase real estate, that they
6 would receive a return of 2% per month, and that their investment money would be secured by real
7 property. Respondents told the Washington investors that their investment would be a secure opportunity to
8 generate monthly cash-flow with little or no risk. Respondents even recommended obtaining a home equity
9 loan to at least one Washington investor to take advantage of their investment opportunity.

10 IV. MISREPRESENTATIONS AND OMISSIONS

11 8. Joshua and Mayela Poulson failed to provide material information regarding
12 Poulson Investing, LLC, including, but not limited to, prospectus information, such as financial statements,
13 use of the proceeds of the offering, and general and specific risk factors involved in the investment.

14 V. REGISTRATION STATUS

15 9. Poulson Investing, LLC is not currently and has not previously been
16 registered to offer and/or sell its securities in the State of Washington.

17 10. Joshua Poulson and Mayela Poulson are not currently registered as a securities salespersons
18 or broker-dealers in the State of Washington and have not previously been so registered.

19 Based upon the Findings of Fact, the following Conclusions of Law are made:
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1 CONCLUSIONS OF LAW

2 1. The offer and/or sale of the investments described above constitute the offer and/or sale of a
3 security as defined in RCW 21.20.005(10) and (12).

4 2. In connection with the offer and/or sale of said securities, Respondents, Poulson Investing,
5 LLC, Joshua Poulson and Mayela Poulson, have each violated RCW 21.20.010 because, as set forth in the
6 Findings of Fact, Respondents made misstatements of material facts and/or omitted to state material facts
7 necessary in order to make the statements made, in light of circumstances under which they were made, not
8 misleading and/or engaged in acts and practices that operated as fraud or deceit.

9 3. Poulson Investing, LLC, Joshua Poulson and Mayela Poulson each violated RCW 21.20.140
10 by offering and selling unregistered securities.

11 4. Joshua Poulson and Mayela Poulson violated RCW 21.20.040 by offering and selling said
12 securities while not registered as a securities salesperson or broker-dealer in the State of Washington.

13 CONSENT ORDER

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

15 IT IS AGREED AND ORDERED that Respondents, Joshua Poulson, Mayela Poulson and Poulson
16 Investing, LLC, their agents and employees, each shall cease and desist from offering or selling
17 securities in violations of RCW 21.20.140, the securities registration section of the Securities Act of
18 Washington.

19 IT IS FURTHER AGREED AND ORDERED that Respondents, Joshua Poulson and Mayela
20 Poulson, their agents and employees each shall cease and desist from acting as an unregistered securities
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23 CONSENT ORDER

broker-dealer or salesperson in violation of RCW 21.20.040, the broker-dealer and securities salesperson registration section of the Securities Act of Washington.

IT IS FURTHER AGREED AND ORDERED that Respondents, Joshua Poulson, Mayela Poulson and Poulson Investing, LLC, their agents and employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

IT IS FURTHER AGREED that Joshua and Mayela Poulson and Poulson Investing, LLC each enter into this Consent Order freely and voluntarily and with a full understanding of its terms and significance.

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

IT IS FURTHER AGREED that in consideration of the foregoing Respondents Joshua Poulson, Mayela Poulson and Poulson Investing, LLC, each waive their rights to a hearing in this matter and judicial review of this order.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

SIGNED this 12th day of February, 2010.

Signed by:

Poulson Investing, LLC by

/s/
Joshua Poulson, Managing Member

Signed by:

/s/
Joshua Paulson, individually

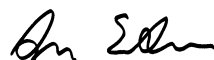
/s/
Mayela Poulson, individually

Approved by:

CONSENT ORDER

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3 /s/
Bryan Farris, Attorney for Respondent

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6 SIGNED and ENTERED this 24th day of February, 2010.

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10 _____
Suzanne Sarason
Chief of Enforcement

11 Presented by:

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14 Martin Cordell
15 Enforcement Attorney
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