

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
2 DIVISION OF FINANCE AND CORPORATE SECURITIES
3 ENFORCEMENT SECTION
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

5 In the Matter of:

S-07-0009-1

6 Daniel Michael Wheatley,

7 Respondent.

8 ORDER TO CEASE AND DESIST
9 ORDER BARRING FROM INDUSTRY
10 ORDER DENYING EXEMPTIONS
11 ORDER IMPOSING CIVIL PENALTIES
12 And
13 CONSENT TO ENTRY OF ORDER

14 WHEREAS the Director of the Department of Consumer and Business Services
15 for the State of Oregon (hereinafter "the Director") conducted an investigation of
16 Profits4investingtoo.com, Daniel Michael Wheatley (hereinafter "Respondent" or
17 "Wheatley"), Sunshine Elise Simmons (hereinafter "Simmons") and Edwin Tolentino
18 Garcia (hereinafter "Garcia") and determined that they engaged in activities constituting
19 violations of ORS 59.005 through 59.830 (hereinafter cited as the Oregon Securities
20 Law); and

21 WHEREAS Respondent wishes to resolve and settle this matter with the
22 Director,

23 NOW THEREFORE, as evidenced by the authorized signature subscribed on
24 this order, Respondent hereby **CONSENTS** to entry of this order upon the Director's
25 Findings of Fact and Conclusions of Law as stated hereinafter:

26 **FINDINGS OF FACT**

The Director **FINDS** that:

1. At all times material herein, Profits4investingtoo.com offered investments in a long-term, high-yield private loan program to members of the public using the website "profits4investingtoo.com" (hereinafter "the website") from December 3, 2005 through

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Labor and Industries Building
350 Winter Street NE, Suite 410
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1 approximately January 25, 2006. At all times material herein, Profits4investingtoo.com
2 was an unincorporated business operated by Wheatley, Simmons and Garcia from their
3 homes. Wheatley and Simmons, who are husband and wife, share a last known
4 address of 636 S. 41st Place in Springfield, Oregon. Garcia's last known address is
5 11716 NE 49th Street #F4 in Vancouver, Washington.

6 2. At all times material herein, Profits4investing.com was not licensed as a broker-
7 dealer by the Oregon Division of Finance and Corporate Securities and was not
8 authorized to sell securities in the State of Oregon.

9 3. At all times material herein, Wheatley, Simmons and Garcia were not licensed as
10 broker-dealer salespersons by the Oregon Division of Finance and Corporate Securities
11 and were not authorized to sell securities in the State of Oregon.

12 4. Wheatley, along with Simmons, developed the investment scheme offered on the
13 website. The website claimed the investment scheme was a long-term, high-yield
14 private loan program "backed up by investing in various funds and activities." The
15 website claimed "profits from these investments are used to enhance our program and
16 increase its stability for the long term." Simmons and Wheatley used the e-mail address
17 "webmaster@profits4investingtoo.com," which was provided to investors for use in
18 contacting Profits4investingtoo.com.

19 5. The website offered several programs in which individuals could invest in the
20 investment scheme. Attachment A, hereby incorporated by reference, provides a
21 depiction of the programs the website offered.

22 6. The website instructed people who wished to invest in the investment scheme to
23 transfer their investment funds via one of two Internet money processors, Stormpay and
24 E-gold. The Stormpay account identified by the website belonged to Garcia.

25 7. Garcia opened his Stormpay account in December 2003 and conducted 61
26 transactions between December 16, 2003 and November 22, 2005, which was prior to



1 the operation of the website. After the website became operational on December 3,
2 2005, use of Garcia's Stormpay account skyrocketed to 27,330 transactions conducted
3 between December 13, 2005 and March 8, 2006. These transactions included the
4 receipt of consumers' investment funds, the payment of funds to investors, and charge-
5 backs resulting from customer complaints. Stormpay reported that as of March 17,
6 2006 there had been 1,314 complaints filed with Stormpay against Garcia's Stormpay
7 account as a result of Garcia's receipt of money for the investment scheme and the
8 failure to pay investors in the investment scheme.

9 8. Garcia directed Stormpay to wire funds from his Stormpay account to his
10 checking account at IQ Credit Union in Vancouver, Washington. Garcia would then wire
11 a portion of those funds to Wheatley's checking account at Bank of America. Garcia
12 would keep the remaining funds.

13 9. Between December 23, 2005 and January 23, 2006, Stormpay wired
14 approximately \$664,997 into Garcia's IQ Credit Union checking account. Garcia then
15 wired \$435,675 to Wheatley's checking account at Bank of America.

16 10. In November 2005, Wheatley's Bank of America checking account had a
17 balance of \$0.81 and his saving account was overdrawn by \$5.99 but by March 13,
18 2006, Wheatley's checking account had a balance of \$23,596.36 and his savings
19 account had a balance of \$100,348.63. Garcia's checking account balance was
20 \$16,446.98 and his savings account balance was \$503.74.

21 11. A review of Garcia and Wheatley's bank records indicates that the investment
22 funds received via Stormpay were not spent on an investment that might produce
23 income for the investors but instead were used to purchase personal and real property
24 including Wheatley and Simmons' home in Springfield, Oregon, a 2005 Mercedes Benz
25 C230, a 2004 Hummer, jewelry, furniture, appliances and electronic equipment.

26 12. On December 29, 2005, Ellen Langfitt of Jacksonville, North Carolina invested