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Repeat securities offender convicted of securities crime

(Oregon City) — James Salvatore Georgen Jr. was sentenced to two years probation and ordered to have no contact with his victim after pleading guilty to attempted sale of an unregistered security.

The case was resolved through a plea agreement, which required Georgen to pay full restitution, \$10,000, to the victim before pleading guilty. In addition, the Oregon Department of Consumer and Business Services' Division of Finance and Corporate Securities (DFCS) issued a cease-and-desist order imposing an \$80,000 civil penalty and a lifetime ban from representing any financial entity or product the department regulates, including mortgage lending, consumer finance lending, and securities and insurance sales.

Georgen, of Portland, was at one time licensed to sell securities but has repeatedly sold fraudulent securities in violation of Oregon's securities laws. In December 2003, DFCS issued a cease-and-desist order prohibiting Georgen from selling securities and imposed a \$100,000 fine with \$80,000 suspended as long as Georgen complied with the terms of the order. However, in 2005, Georgen sold a \$10,000 investment to an elderly close family friend in violation of Oregon law and the 2003 order. The investor lost her money.

DFCS referred Georgen's case to the Clackamas County District Attorney's Office. John Foote, the county's district attorney, appointed Jason Weber, a DFCS financial enforcement officer, as a special prosecutor for the case. Georgen is the fourth individual this year that has been successfully prosecuted through a joint effort between DFCS and the Clackamas County District Attorney's Office.

"Typically we deal with small amount or numbers of unlicensed security sales through an enforcement order and penalty," said David Tatman, DFCS administrator. "However, when we have a repeat offender who blatantly ignored a previous order, we refer the case to the appropriate prosecuting agency."

Tatman encourages consumers to do their homework before doing business with any financial professional to ensure they are licensed and the product is registered. Go to www.dfcs.oregon.gov or call 866-814-9710.

DFCS is a division of the Department of Consumer and Business Services, Oregon's largest business regulatory and consumer protection agency. A complete list of the institutions regulated by DCBS can be found at <http://egov.oregon.gov/DCBS/>.

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