# 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 the State of Washington by:

Sucasas Motor Company; Henrique Sucasas,

Order Number S-05-117-05-FO01

ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW AND FINAL ORDER TO CEASE AND DESIST

Respondents.

THE STATE OF WASHINGTON TO: Sucasas Motor Company Henrique Sucasas

On September 9, 2005, the Securities Administrator of the State of Washington issued S-05-117-05-SC01 hereinafter referred to as the Order. The Order, 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", was served on Sucasas Motor Company and Henrique Sucasas via Global Priority mail. Sucasas confirmed receipt of the Order via electronic mail on November 28, 2005. The Notice of Opportunity for Hearing advised Sucasas Motor Company and Henrique Sucasas 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. Henrique Sucasas, individually and on behalf of Sucasas Motor Company, waived the right to a hearing in this matter and submitted a written statement for consideration by the Director of the Department of Financial Institutions or the Securities Administrator. The Securities Administrator has reviewed and considered the statement that Sucasas submitted.

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The Securities Administrator therefore will adopt as final 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. PARTIES

1. business in Tacoma, Washington. SMC was formed to manufacture a luxury sports car, SUCASAS HS1

("HS1").

2. Henrique Sucasas ("Sucasas") is the founder, CEO and President of SMC.

### II. NATURE OF THE OFFERING

On or about June 9, 2005, Sucasas, in an interview with the Tacoma News Tribune, again

offered investors an opportunity to purchase shares of SMC. Sucasas said he needed to raise \$300,000 to

Sucasas Motor Company ("SMC") is a limited liability company with its principal place of

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3. Sucasas, in a press release issued on or about June 5, 2005, offered shares in SMC with the purchase of SMC hats and t-shirts. In that press release, Sucasas represented that the potential sales for

the HS1 was \$750 million in five to seven years and that SMC aims to garner 10% of the exotic car

market.

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On SMC's webpage, www.sucasasmotorcompany.com, investors could purchase shares of SMC by purchasing a SMC hat. Included with the purchase of a SMC hat was a "free gift" of ten shares in SMC. The hats were \$10 a piece. The webpage did not include any financial statements for SMC or descriptions of the risks associated with the investment.

finish the design and manufacture the HS1 prototype. Sucasas offered shares for \$1 per share to DEPARTMENT OF FINANCIAL INSTITUTIONS **Securities Division** PO Box 9033

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investors. Investors would also receive a pro rata distribution from an "Investor Fund" funded from 1 future sales of the HS1. 2 III. MISREPRESENTATIONS AND OMISSIONS 3 6. SMC and Sucasas failed to provide investors material information regarding the investment 4 including but not limited to financial statements for SMC and the specific and general risks involved with 5 this investment. 6 IV. REGISTRATION STATUS 7 7. SMC is not currently registered to sell its securities in the state of Washington and has not 8 9 previously been so registered. 8. Sucasas is not currently registered as a securities salesperson or broker-dealer in the state of 10 Washington and has not previously been so registered. 11 12 Based upon the Findings of Fact, the following Conclusions of Law are made: 13 **CONCLUSIONS OF LAW** 14 1. The offer or sale of shares described above constitutes the offer or sale of a security as 15 defined in RCW 21.20.005(10) and (12). 16 17 2. The offer 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 or sale is on file with the Securities Administrator. 18 3. 19 Henrique Sucasas has violated RCW 21.20.040 by offering or selling said securities while 20 not registered as a securities salesperson or broker-dealer in the state of Washington. 4. The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, 21 22 as set forth in the Findings of Fact, Sucasas Motor Company and Henrique Sucasas made misstatements DEPARTMENT OF FINANCIAL INSTITUTIONS ENTRY OF FINDINGS OF FACT AND CONCLUSIONS 23 OF LAW AND FINAL ORDER TO CEASE AND DESIST 24

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of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

| FINAL ORDER

It is hereby ORDERED that the Respondents, Sucasas Motor Company and Henrique Sucasas, 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 Sucasas Motor Company and Henrique Sucasas, their agents, and employees each cease and desist from violation of RCW 21.20.040, the broker-dealer and securities salesperson registration section of the Securities Act.

It is further ORDERED that Sucasas Motor Company and Henrique Sucasas, their agents, and employees each cease and desist from violation of RCW 21.20.010, the anti-fraud section of the Securities Act.

It is further ORDERED that Sucasas Motor Company and Henrique Sucasas shall be subject to a fine in the amount of \$2,500, of which the entire amount shall be suspended based on the Respondents full and complete cooperation in the matter.

# **AUTHORITY AND PROCEDURE**

This Final Order is entered pursuant to the provisions of RCW 21.20.110 and 21.20.390, and is subject to the provisions of RCW 21.20.120 and Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of chapter 34.05

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1	RCW. For the requirements for filing a Petition for Judicial Review, see RCW 34.050.510 and section	
2	following.	
3	WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.	
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5	DATED and ENTERED this 17 <sup>th</sup> day of January, 2006.	
6		- · · · · ·
7		Quidel E, Stevenson
8		MICHAEL E. STEVENSON Securities Administrator
9		Presented by:
10		K. Reynolds
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12		Kate Reynolds Financial Legal Examiner
13	Approved by:	
14	an Elm	
15	Suzanne Sarason Chief of Compliance & Examinations	
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