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: SDO - 60-00

STATEMENT OF CHARGES AND NOTICE OF INTENTION TO SUSPEND SECURITIES SALESPERSON REGISTRATION

Case No. 00-04-117

Alvin L. McGill,

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Respondent.

THE STATE OF WASHINGTON TO: ALVIN L. MCGILL 3212 25th Ave. W Seattle, WA 98199

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondent, Alvin L. McGill, has engaged in dishonest and unethical practices in the securities business while employed as a registered securities salesperson for Pacific Harbor Securities, Inc., and that those practices justify the twenty (20) day suspension of Respondent's securities salesperson registration pursuant to RCW 21.20.110(1)(g). The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

RESPONDENT

Alvin L. McGill ("McGill") is registered with the State of Washington as a securities salesperson for
Pacific Harbor Securities, Inc. ("Pacific"). Pacific is a broker/dealer of securities and has its principal place of business
at 5455 West 11000 North, Suite 201, Highland, UT 84003.

2. McGill's office of employment with Pacific is 2101 4th Ave, Suite 300-C, Seattle, WA 98121.
3. On or about March 10, 2000 the Securities Division began an investigation in to McGill's activities as
they related to violations of the Securities Act alleged in a lawsuit that the Securities Division examiners had discovered
during a routine examination of Pacific, during February 2000.

25 STATEMENT OF CHARGES ANDTRATION AND 1 NOTICE OF INTENTION TO SUSPEND SECURITIES SALESPERSON REGISTRATION DEPARTMENT OF FINANCIAL INSTITUTIONS Securities Division PO Box 9033 Olympia, WA 98507-9033 360-902-8760

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NATURE OF MCGILL'S CONDUCT

4. On or about December 13, 1994, McGill convinced a 50 year old, recently widowed customer to loan him \$10,000, promising 6% annual interest, with the principal coming due on March 13, 1995. The loan was evidenced by a promissory note dated December 13, 1994.

5. On or about January 6, 1995 McGill convinced the same Customer to make him a second loan. This loan was in the amount of \$5,000, with annual interest promised at an annual rate of 6% and coming due July 6, 1995. The loan was evidenced by a promissory note dated January 6, 1995.

6. On or about February 17, 1995 McGill convinced the same Customer to make him a third loan. This loan was in the amount of \$5,000, with annual interest promised at an annual rate of 6% and coming due August 17, 1995. The loan was evidenced by a promissory note dated February 17, 1995.

On or about March 30, 1995 McGill convinced the same Customer to make him a fourth loan. This loan was in the amount of \$5,000, with annual interest promised at an annual rate of 6% and coming due September 30, 1995. The loan was evidenced by a promissory note dated March 30, 1995.

8. On or about January 2, 1996 McGill requested a 5th loan, in the amount of \$4,000, from the same
Customer. The Customer refused to give McGill any more money.

9. Throughout the terms of these loans, and continuing thereafter McGill convinced his Customer that she would eventually be repaid. In November 1996 the Customer demanded repayment of the full \$25,000 she had loaned

McGill, along with interest. The Customer was repaid in full on 7/11/97, following legal action.

Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

CONCLUSIONS OF LAW

McGill, as described above, engaged in one or more dishonest or unethical practices in the securities business, as defined by WAC 460-22B-090(1), by engaging in the practice of borrowing money from customers. Such practice is grounds for the twenty (20) day suspension of his salesperson registration pursuant to RCW 21.20.110(1)(g).

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NOTICE OF INTENTION TO REVOKE SECURITIES SALESPERSON REGISTRATION

Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that the securities salesperson registration of Respondent, Alvin L. McGill, be suspended for the period of twenty (20) business days.

AUTHORITY AND PROCEDURE

This STATEMENT OF CHARGES AND NOTICE OF INTENTION TO SUSPEND SECURITIES SALESPERSON REGISTRATION is entered pursuant to the provisions of RCW 21.20.110 and is subject to the provisions of RCW 21.20.120, and ch. 34.05 RCW. The respondent, Alvin L. McGill may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this order. If Mr. McGill does not request a hearing in this matter, the Securities Administrator will make the foregoing Tentative Findings of Fact and Conclusions of Law permanent and enter an order suspending Mr. McGill's securities salesperson registration for a period of twenty (20) business days from the date of service of the order upon him.

DATED this _____ day of May, 2000.

DEBORAH R. BORTNER Securities Administrator

Presented by:

Kristina L. Kneip Securities Examiner

Approved by:

Michael E. Stevenson Chief of Compliance

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