

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 19, 2009

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COMMONWEALTH OF VIRGINIA, ex. rel.

STATE CORPORATION COMMISSION

v.

CHANCELLORSVILLE FINANCING, INC.,  
DECKER EQUITIES, LP,  
and  
PAUL VINCENT DECKER,

CASE NO. SEC-2008-00009  
CASE NO. SEC-2008-00051

CASE NO. SEC-2008-00008

Defendants

FINAL ORDER

On September 26, 2008, the State Corporation Commission ("Commission") issued Rules to Show Cause ("Rules") against Chancellorsville Financing, Inc. ("CFI"), Decker Equities, LP ("DLP"), and Paul Vincent Decker ("Decker"), (collectively, "Defendants"). The Rules alleged that the Defendants violated certain provisions of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.<sup>1</sup>

The Rules, among other things, assigned the matter to a Hearing Examiner and scheduled an evidentiary hearing for January 27, 2009. Additionally, the Rules ordered each of the Defendants to file a responsive pleading on or before October 31, 2008, in which the Defendants were required to expressly admit or deny the allegations in the Rules and present any affirmative defenses that the Defendants intended to assert. The Defendants were advised that they may be found in default if they failed to either timely file a responsive pleading or other appropriate pleading, or if they filed such pleading and failed to make an appearance at the hearing. If found

<sup>1</sup> It was alleged that: (i) CFI violated § 13.1-507 of the Act 8 times; violated § 13.1-504 B of the Act 8 times; violated § 13.1-502(2) of the Act 9 times; and violated § 13.1-502(3) of the Act 3 times; (ii) DLP violated § 13.1-507 the Act 11 times; violated § 13.1-504 A of the Act 11 times; violated § 13.1-504 B of the Act 11 times; and violated § 13.1-502(2) of the Act 8 times; and (iii) Decker violated § 13.1-507 of the Act 11 times; violated § 13.1-504 A of the Act 11 times; violated § 13.1-502(2) of the Act 8 times; and violated § 13.1-519 of the Act 11 times.

in default, the Defendants were advised that they would be deemed to have waived all objections to the admissibility of evidence and may have entered against them a judgment by default imposing some or all of the sanctions permitted by law.

On December 31, 2008, the Division of Securities and Retail Franchising ("Division") filed a Motion for Default as to Paragraphs (1) through (12) of the Rules. In support, the Division stated that the Defendants had not filed an answer or other responsive pleading. The Division provided legal authority for the Commission to enter a default judgment, and provided a sworn affidavit from Bill Ward, Senior Investigator with the Division, along with accompanying documentary proof to provide the facts necessary to prove the allegations set forth in the Rules.

A hearing on the Rules was convened on January 27, 2009. The Division was represented by its counsel, Mary Beth Williams, who offered into the record the affidavit of Bill Ward and other attachments relating to proving proper service of the Rules, as well as the substantive claims made in the Rules. Defendants DLP and Decker, who were served by certified mail, and CFI, who was served by the Sheriff's Office of Spotsylvania County, failed to appear at the hearing. Additionally, the Division requested that the Commission enter a default judgment against the Defendants on the counts alleged in the Rules and impose the maximum penalties allowed under the Act for each violation.

On February 6, 2009, the Hearing Examiner issued his Report. In his Report, he found that based upon the evidence presented: (1) the Motion for Default Judgment should be granted; (2) the imposition of the maximum penalties as recommended by the Division is warranted; and (3) the Defendants should be permanently enjoined from any act which constitutes a violation of the Virginia Securities Act. Additionally, the Report allowed for the parties to file comments

within twenty-one (21) days of the entry of the Report. As of this date, the Defendants have not filed comments.

NOW THE COMMISSION, upon consideration of the Rules, the record, the Hearing Examiner's Report, and the applicable statutes, is of the opinion and finds that: (1) the Division established by clear and convincing evidence that the Defendants violated the statutes as set forth in the Rules; and (2) the Hearing Examiner's findings and recommendations are reasonable and should be adopted.

Accordingly, IT IS ORDERED THAT:

(1) The findings and recommendations of the February 6, 2009, Hearing Examiner's Report are hereby adopted;

(2) In accordance with the Commission's regulatory duties and powers and pursuant to § 13.1-521 of the Act, judgment is entered for the Commonwealth against CFI in the amount of \$140,000; judgment is entered for the Commonwealth against DPL in the amount of \$205,000; and judgment is entered for the Commonwealth against Decker in the amount \$205,000; and

(3) Pursuant to § 13.1-519 of the Act, the Defendants are hereby enjoined from any further violations of the Act.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission, by CERTIFIED MAIL, RETURN RECEIPT REQUESTED to: Decker Equities, LP, c/o Paul V. Decker, 9306 Ogden Place, Lanham, Maryland 20706; Paul V. Decker, 9306 Ogden Place, Lanham, Maryland 20706; John H. Ross, 142 Cranes Corner Road, Fredericksburg, Virginia 22405; Chancellorsville Financing, Inc., 3901 Copperleaf Road, Fredericksburg, Virginia 22407; and the Commission's Office of General Counsel and Division of Securities and Retail Franchising.