

BEFORE THE  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF SECURITIES  
STATE OF WISCONSIN

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In the Matter of  
GAYLE E. PORTER and  
PLA DEVELOPMENT TRUST,

PETITION FOR ORDER  
(SUMMARY)

Respondents.

File S-98206(EX)

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The staff of the Enforcement Unit of the Registration & Enforcement Section alleges that:

1. Douglas M. Trumbower ("Trumbower") is an individual, with a last known residence address of 1034 North Thompson Drive, Madison, Wisconsin 53704.
2. Gayle E. Porter ("Porter") is trustee for PLA, with a last known business address of 25060 Hancock Avenue, Suite 103-339, Murrieta, California 92562, and a last known home address of 3030 West Acadia Avenue, Hemet, California 92545.
3. PLA Development Trust, ("PLA") is a foreign business entity, with a last known business address of 25060 Hancock Avenue, Suite 103-339, Murrieta, California 92562.
4. On May 13, 1997, Trumbower, on behalf of PLA, offered to at least one person in Wisconsin an investment in PLA.
5. Pursuant to the offering materials, PLA is the contracting and controlling party to a trading event and receives approximately 50% of the proceeds. The funds from the trust are joined with funds of another trust to form a single block of funds for the purpose being traded for a certified bank instrument of equal value.
6. Pursuant to the offering materials, at the end of the transaction, the funds and profits are returned to the bank account and the bank instrument is returned to the originator. At the end of this event, the funds of the Trust will be returned directly to the trust and distributions to investors will occur upon receipt of the funds to the trust.
7. Pursuant to information received from the Central Registration Depository, Porter was previously named as a defendant in a complaint (Civ. No. 94-3322 SVW, GHKx, C.D.CAL.) filed by the U.S. Securities and Exchange Commission alleging he engaged in a fraudulent scheme involving the offer and sale of general partnership interests in a prime bank investment program.

8. Pursuant to the offering materials received by the person in Wisconsin, investors will play a passive role in the Program, with all duties and responsibilities being performed by persons other than the investor.

9. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the investment offered by the Respondents is an investment contract as defined by DFI-Sec 1.02(b), Wis. Adm. Code, and is therefore a security as defined by sec. 551.02(13), Wis. Stats.

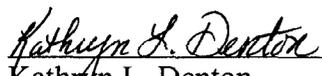
10. The security described above has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

11. Porter and PLA have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

12. In connection with the offer and sale of the securities described in Paragraphs 4 through 6 above, all Respondents omitted to disclose the Complaint against Porter referred to in Paragraph 7 above.

13. All Respondents have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached order pursuant to Ch. 551, Wis. Stats.

  
Kathryn L. Denton  
Examiner  
Enforcement Unit

9/17/98  
Date

  
David A. Cohen  
Supervising Attorney  
Enforcement Unit

9/17/98  
Date