

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

RECEIVED

JAN 14 2013

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of

PETITION FOR ORDER

ROBERT A. MANGAN,

File No. S - 223664 (EX)

Respondent.

The staff of the Bureau of Enforcement of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to § 551.602 (2007-2008), Wis. Stats., and as a result thereof alleges as follows:

1. Robert A. Mangan ("Mangan") is a Wisconsin resident with a last known address of 2122 Broken Hill Road, Waukesha, WI 53188.
2. At all material times, Mangan incorporated Consolidated Capital Company ("CCC") in 1991 and has served as the company's treasurer at all material times. CCC has a last known business address of 2122 Broken Hill Road, Waukesha, WI 53188.
3. According to the company's website, CCC offers equipment remarketing services for repossessed, off-lease, and surplus equipment. CCC claims to offer its commercial asset management services through the entire collection, sale, and liquidation process.
4. During the period of September 2001 through August 2010, Mangan offered and sold promissory notes to at least ten persons in Wisconsin.
5. According to statements made by Mangan to Division staff, Mangan used investor funds for the capital infusion of CCC and for the purpose of amortizing and paying off outstanding debts.
6. The promissory notes issued to Wisconsin investors are securities pursuant to Wis. Stats. §§ 551.102(28)(2007-08) and 551.02(13)(a)(2005-06).¹
7. The promissory notes were not registered with the Division for offer and sale in Wisconsin, in violation of Wis. Stats. §§ 551.301(2007-08) and 551.21(2005-06).
8. During the time period of 2008 through 2010, four Wisconsin investors filed civil actions against Mangan in Waukesha County, Wisconsin for Mangan's failure to adhere to the terms as outlined in the issued promissory notes. The Waukesha County Circuit Court awarded civil judgments totaling \$830,618.88 for all four Wisconsin investors.

¹ Statutory references are made both to the Wisconsin Statutes (2005-06) and (2007-08), depending on which version of the statutes was in effect at the time of the conduct detailed in this petition. Pursuant to Wis. Stat. § 551.703 (2007-08), the applicable statutes are those in effect at the time when the violations occurred.

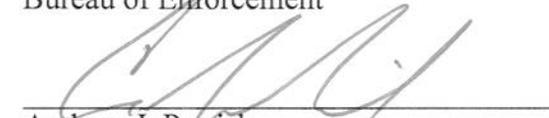
9. Mangan failed to disclose defaults on promissory note obligations before renewing and issuing new promissory notes to Wisconsin investors. As of September 2012, Mangan admitted he was in default on promissory notes issued to at least ten Wisconsin residents.
10. Mangan violated Wis. Stats. §§ 551.501(2)(2007-08) and 551.41(2)(2005-06) by, in connection with the offer or sale of a securities, omitting to state material facts necessary to make Mangan's statements to investors, in light of the circumstances under which they are made, not misleading.

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

Dated this 14th day of January, 2013.



Chad MacHolz
Examiner
Bureau of Enforcement



Andrew J. Parrish
Staff Attorney
Bureau of Enforcement