

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 57569 / March 27, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-12999

In the Matter of

VAL E. SOUTHWICK,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Val E. Southwick (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Southwick is a Utah resident. Southwick is not registered as a broker or dealer with the Commission or associated with a broker-dealer that is registered with the Commission.

2. On February 26, 2008, a final judgment was entered by consent against Southwick, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), and Sections 15(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Val E. Southwick, et al., Civil Action Number 2:07-CV-0235, in the United States District Court for the District of Utah.

3. The Commission's complaint alleged that Southwick participated in an unregistered offering of securities which raised at least \$180 million from investors through the sale of notes issued by VesCor Capital Corp. and four affiliated companies (collectively, "VesCor"). Allegedly, potential investors were told the notes were to pay returns of between 8% and 24% a year, ostensibly to finance several real estate developments. The Commission's complaint also alleged that contrary to representations made to investors, Southwick used a large portion of the proceeds from the sales of notes to later investors to pay the promised returns to earlier investors, thereby operating a Ponzi scheme. It was further alleged that proceeds from the sales of notes were also used to finance Southwick's living expenses.

4. The Commission's complaint alleged that Southwick retained and supervised the activities of unregistered sales representatives in several states who were paid commissions on the sale of VesCor notes. It was further alleged that these salespersons were in engaged in the business of soliciting investors to purchase the notes and that Southwick often participated directly in those solicitations by communicating with potential purchasers, making presentations to them and closing the sales.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Southwick's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act that Respondent Southwick be, and hereby is barred from association with any broker or dealer;

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any

disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary