

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 82030 / November 8, 2017

INVESTMENT ADVISERS ACT OF 1940
Release No. 4809 / November 8, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-18276

In the Matter of

PATRIC KEN BACCAM,
a/k/a Khanh Sengpraseuth,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940
AND NOTICE OF HEARING

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)(6) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Patric Ken Baccam, also known as Khanh Sengpraseuth (“Respondent” or “Baccam”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Baccam, 46, is a resident of California. From 2002 through 2011, Baccam was a registered representative associated with Centaurus Financial, Inc. (“Centaurus”), which was registered with the Commission as a broker-dealer pursuant to Section 15 of the Exchange Act and as an investment adviser pursuant to Section 203 of the Advisers Act. Baccam has not been associated with a registered broker-dealer or investment adviser since 2011.

B. ENTRY OF THE INJUNCTION

2. On June 14, 2017, a final judgment was entered against Baccam, in the civil action entitled Securities and Exchange Commission v. Patric Ken Baccam, Case No. 5:17-cv-00172-SJO (SPx), in the United States District Court for the Central District of California, that permanently enjoined him from future violations of Section 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 10(b) and 15(a) of the Exchange Act, and Exchange Act Rule 10b-5.

3. The Commission’s complaint alleged, among other things, that, from at least October 2010 to December 2011, in connection with the offer and sale of promissory notes, Baccam acted as an unregistered broker, by selling the notes away from Centaurus and not disclosing those private securities transactions to the firm. Baccam offered and sold these and other promissory notes from October 2010 through July 2013, and in doing so told investors that the funds raised from the sale of the notes would be used to finance real estate ventures engaged in “flipping” real property. The complaint also alleged that, from at least January 2011 to July 2013, in connection with the offer and sale of the notes, Baccam conducted a fraudulent scheme in which he engaged in a deceptive course of business that operated as a fraud on investors, and that he knowingly made material misrepresentations and omissions to potential investors regarding the safety of the investments, the viability of the real estate ventures, the experience of the note issuers, how investor funds would be used, and the rates of return that investors would receive.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

- A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;
- B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b)(6) of the Exchange Act; and
- C. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission’s Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission’s Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(c) & (f), 221(f), and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(c) & (f), 201.221(f), and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice, 17 C.F.R. § 201.360(a)(2), the Administrative Law Judge shall issue an initial decision no later than 75 days from the occurrence of one of the following events: (A) The completion of post-hearing briefing in a proceeding where the hearing has been completed; (B) Where the hearing officer has determined that no hearing is necessary, upon completion of briefing on a motion pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250; or (C) The determination by the hearing officer that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155, and no hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary