



C. L. "BUTCH" OTTER  
Governor

GAVIN M. GEE  
Director

Contact:

James Burns  
Investigations Chief  
Securities Bureau  
(208) 332-8000

## NEWS RELEASE

**For Immediate Release**

**July 21, 2010**

### **EASTERN IDAHO AND UTAH PROMOTERS SUED OVER INVESTMENT SCHEME** *State Seeks Refunds, Permanent Injunction & Business Restrictions*

Boise, Idaho . . . The Idaho Department of Finance has filed a civil lawsuit in Bonneville County District Court against Brock Bruegeman, Brian Birch, Brandon Johnson and Sonny Jensen. Mr. Bruegeman, Mr. Birch and Mr. Johnson operated in or near Idaho Falls, Idaho, while Mr. Jensen traveled into Idaho from his business location in Utah. The complaint alleges that these defendants, acting through one or more LLCs, violated the registration and anti-fraud provisions of the Idaho Uniform Securities Act.

The department's complaint alleges that the defendants offered and sold more than \$2.1 million in unregistered promissory notes to Idaho investors and that misrepresentations and omissions of material information occurred in connection with the sale of these notes. More specifically, the defendants are alleged to have:

1. Misrepresented that the investments were risk free, virtually guaranteed or backed by real estate.
2. Failed to disclose to later investors that some of their funds were not sent "upline" to another Utah promoter, but instead used to repay earlier investors and for the personal purposes of the defendants.
3. Failed to disclose important information about the defendants and their "upline" business associate, Rick Koerber and his company the Franklin Squires Company, LLC.

The state's suit seeks a permanent injunction and a court order that investors be repaid in various amounts by each defendant, while placing restrictions on the defendants' future business activities. Mr. Koerber was not named in the lawsuit, but he is the subject of a 22-count federal criminal indictment alleging a \$100 million investment fraud and was previously sanctioned by the State of Wyoming for apparent securities violations.

Department of Finance press releases and a copy of the civil complaint can be found on the Internet at <http://www.finance.idaho.gov> and may be obtained by contacting the department at (208) 332-8004 or Idaho toll-free at 1-888-346-3378.

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#### SECURITIES BUREAU

800 Park Boulevard, Suite 200, Boise, ID 83712

Mail To: P.O. Box 83720, Boise ID 83720-0031

Phone: (208) 332-8010 Fax: (208) 332-8097

<http://finance.idaho.gov>