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NEWS RELEASE

For Immediate Release

March 18, 2015

JUDGMENT OBTAINED AGAINST FORMER UTAH INVESTMENT PROMOTER
Zachary Latimer ordered to pay investor restitution of \$945,000

Boise, Idaho . . . An Ada County District Court has entered a default judgment and permanent injunction against Zachary Latimer formerly of Smithfield, Utah, currently living in Kapolei, Hawaii. Also named are Utah entities, Velocity2, LLC, and Z.V. Latimer Investments, Inc., both owned by Mr. Latimer. The Court issued the order against the defendants after Mr. Latimer failed to respond to the allegations made by the Idaho Department of Finance in a lawsuit filed on December 10, 2014. The Court ordered Latimer to pay restitution in the amount of \$945,000, pay to the department \$30,000 in penalties and permanently enjoined Latimer from selling or offering for sale securities in any form in the state of Idaho.

Latimer solicited Idaho investors to purchase unregistered securities in the form of promissory note investment contracts that would be used to provide "international and domestic credit financing to businesses and institutions". Latimer represented to investors that their money would be liquid and safe and would never leave an established escrow account. Among other things, the complaint alleged that Latimer:

- misrepresented that investors would realize a 60% annualized return and be paid off in 12 months,
- misrepresented to investors how their money would actually be used, and
- omitted to inform at least one Idaho investor that their money would be immediately released from an escrow account when it was earlier represented that the investment funds would be safely and permanently held in an escrow account.

The Department cautions investors about promissory notes, which are often a favored investment vehicle of Ponzi schemes. While promissory notes can be legitimate investments, those that are marketed broadly to individual investors often turn out to be scams. Before you consider investing in promissory notes, be sure you understand how they work and what risks they pose. The Latimer lawsuit and related settlement documents can be found at: finance.idaho.gov or by contacting the Department.