

# **NEWS RELEASE**

For Immediate Release

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## **COURT ENTERS JUDGMENT FOR SECURITIES VIOLATIONS**

Boise, Idaho... Gavin Gee, Director of the Idaho Department of Finance, announced that the Honorable Don L. Harding, District Judge of the Sixth Judicial District Court in Soda Springs, Idaho, has entered judgment and a permanent injunction against Worldwide Financial, LLC, of Providence, Utah. The Court's order, which was entered by default after the company ceased defending itself, stems from the securities activities of Worldwide Financial and its founder, Steven James Cook.

The state's complaint alleges that Cook was terminated from his job as a stockbroker in 1996. Despite no longer being licensed as a securities salesman, the state alleges that Cook continued to hold himself out as engaged in the securities business and to transact securities business with customers. Cook allegedly sold customers bonds and debentures in his company, Worldwide Financial, although the securities were not registered for sale. These securities appear to be worthless.

In addition to the securities and salesman registration violations, the state's complaint alleges that the defendants made misrepresentations and omitted to state material information to investors to persuade them to invest. Among these misrepresentations and omissions are: representing that the

Worldwide Financial securities were safe investments and were insured by the Federal Deposit Insurance Company (FDIC); failing to disclose that Cook had been the subject of numerous customer complaints and brokerage settlement payments to former customers; and, failing to disclose that Cook was no longer licensed to sell securities.

The Court's order finds that Worldwide Financial violated the Idaho Securities Act and enjoins Worldwide Financial from: offering or selling unregistered securities, offering or selling securities through an unregistered salesman, and engaging in misrepresentations or omissions in connection with the offer, sale or purchase of a security. In addition, the Court ordered Worldwide Financial to repay investors. The State estimates investor losses in Idaho and elsewhere at \$4 million.

The State's case continues against defendant Cook.

The Department urges Idaho residents, prior to investing, to make sure that the investments and investment professionals with whom they deal are registered. Investors can contact the Department at (208) 332-8004 or toll free within Idaho at 888-346-3378.