BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE

OF THE STATE OF IDAHO

In the Matter of: BROOKE'S VENTURES, LLC d/b/a AULTERRA INTERNATIONAL; AULTERRA GLOBAL, LLC; KIM DANDURAND; their agents and representatives.	Docket No. 2018-7-05 AGREEMENT AND ORDER

The Department of Finance, acting through its Securities Bureau (the "Department"), pursuant to the authority under the Idaho Uniform Securities Act (2004) (the "Act"), Idaho Code § 30-14-101 *et seq.*, has reasonable grounds to believe that violations of the Act have occurred related to Brooke's Ventures, LLC, d/b/a Aulterra International, Aulterra Global, LLC, and Kim Dandurand (collectively, the "Respondents"). The Department and the Respondents have agreed to resolve this matter without the additional time and cost of a public hearing or other adjudication of this matter. Therefore, the Director of the Department ("Director") deems it appropriate and in the public interest, that this Agreement and Order be entered into, and Respondents consent to the entry of this Agreement and Order.

Respondents

1. Brooke's Ventures, LLC ("Brooke's") is an Idaho limited liability company formed in Idaho on June 10, 2004. Kim Dandurand ("Dandurand") is the manager, a member, and the registered agent of Brooke's. Brooke's sometimes uses the dba Aulterra International.

2. Aulterra Global, LLC is an Idaho limited liability company formed in Idaho on August 11, 2017. Dandurand is the manager and registered agent of the company.

3. Dandurand is currently an Idaho resident and was an Idaho resident at all times pertaining to this matter. His current business address is 10464 N. Government Way, Suite B, Hayden, ID 83835.

Background

4. Dandurand has developed a product that he claims can help protect against electro-magnetic field (EMF) radiation created by cellphones and other devices. The product is called the Aulterra® Neutralizer and is now sold in various forms, including stickers, bed pillows, and plug in devices. Brooke's operates a website where the products are described and promoted.

5. The Aulterra Neutralizer products are produced and marketed through Brooke's. Since approximately 2005, Brooke's has been raising money from investors by selling securities, in the form of LLC member units in Brooke's.

6. In 2014, the Department received a complaint from an investor in Brooke's, and the Department began an investigation.

7. On July 18, 2016, the Department, Brooke's and Dandurand entered into an Agreement and Order (under docket number 2014-7-07) wherein Brooke's and Dandurand agreed to certain remedies and resolution of the Department's investigation ("2016 Agreement and Order"). The remedies included repayment of $25,000 to the one complaining investor (Remedies, ¶4), as well as an agreement "to not claim the availability of, use, or offer or sell securities under any exemptions under the Idaho Uniform Securities Act without giving written notice to the Director. Said written notice shall be provided at least ten (10) days in advance of the proposed activities in Idaho." (Remedies, ¶8.) The 2016 Agreement and Order also imposed a $5,000 civil penalty and stated that it was waived "if Respondents comply with all the terms of this order." (Remedies, ¶6.)

8. On or about July 19, 2006, Brooke's sold one membership unit in Brooke's to Beenanza, LLC, a Nevada limited liability company ("BLLC"), for $50,000, which unit entitled BLLC, as a member of Brooke's, to a one percent (1%) interest in the net profits, losses and distributions of Brooke's. BLLC was dissolved in March 2014. One half of the membership unit held by BLLC is now held by MM and the other half is now held by AF&DF.

9. In March 2018, the Department received an additional complaint from members of BLLC now holding the investment in Brooke's, and the Department instituted the current investigation. The Department was not previously aware of BLLC or its investment.

Allegations

10. At the time of BLLC's investment in Brooke's, MM and AF & DF (collectively, the "Complainants") were members of BLLC, together with DT.

11. Dandurand represented to the Complainants that:

a. They would be provided with company financial statements.
b. Brooke's had thousands of affiliates that were going to purchase its product.
c. There were several celebrities interested in Brooke's product.
d. They would make a lot of money by investing in Brooke's.

12. Based on these representations, the Complainants, together with DT, invested in one membership unit of Brooke's through BLLC.

13. Since 2006, neither the Complainants, nor BLLC when it was the investor, have received any return on their or its investment. The Complainants have not received any periodic financials, such as a profit and loss statement, to document why no profits have been distributed to members of Brooke's. The Department's investigation uncovered various irregularities regarding how Respondents ran the business and calculated income, expenses, and profits. To date, no investors have received any distribution of profits from Brooke's.

14. Through the Department's review of this matter, it also discovered that on or about November 12, 2017, Dandurand offered and Aulterra Global, LLC sold membership units

in Aulterra Global, LLC to investor LM of Concord, Massachusetts. LM executed a Subscription Agreement with Aulterra Global, LLC, dated September 6, 2018. Dandurand admits that this investment was in the same business selling Aulterra Neutralizer products and that the intent was for Brooke's to merge with and into Aulterra Global, LLC.

15. The Department received no timely notice, written or otherwise, of the Respondents' offer or sale of securities from Idaho to LM in 2017, in violation of the 2016 Agreement and Order. Dandurand has stated that this was an inadvertent oversight as he simply forgot he had agreed to provide notice prior to any such sale.

Remedies

The Department and the Respondents hereby agree as follows:

16. Respondents neither admit nor deny the allegations herein.

17. Respondents waive their right to notice and opportunity for hearing on this matter provided by the Idaho Code § 30-40-604 and under the contested case provisions of the Idaho Administrative Procedures Act §§ 67-5240 through 5249, Idaho Code. Respondents further waive their right to seek judicial review of this order.

18. Respondents represent that the information provided to the Department in its investigation of this matter is complete and accurate.

19. Respondents agree to not solicit any investments in or from Idaho unless and until the offering and sales agents are in compliance with the Idaho Uniform Securities Act.

20. Respondents understand that the Department believes, based on the 2016 Agreement and Order, that Respondents are not eligible to utilize various exemptions from registration for any future sales of securities in or from Idaho, e.g., Rule 506 of Reg. D, Rule 262 of Reg. A, and other similar provisions.

21. Respondents agree to not claim the availability of, use, or offer or sell securities

under any exemptions under the Idaho Uniform Securities Act without giving written notice to the Director. Said written notice shall be provided at least ten (10) days in advance of the proposed activities in Idaho.

22. Respondents agree to pay restitution of $25,000.00 to MM and $25,000.00 to AF & DF. Respondents represent that they are unable to make full payment of restitution at this time. Instead, Respondents agree to make full payment within 3 years of the date of this Agreement and Order, pursuant to the following payment plan: $7,500.00 on June 17, 2020, $800.00 per month from July 17, 2020 to May 17, 2021, $7,500 on June 17, 2021, $800.00 per month from July 17, 2021 to April 17, 2023, and $8,600.00 on May 17, 2023.

23. For failing to fully comply with the 2016 Agreement and Order, Respondents agree to pay the $5,000 civil penalty (2016 Agreement and Order, Remedies, ¶6.) as follows: $416.67 per month starting June 17, 2020 and ending May 17, 2021.

24. Respondents further agree to pay a civil penalty in the amount of $15,000.00 to the Department to address the allegations contained herein. This penalty will be waived if Respondents comply with all terms of this Agreement and Order.

25. All payments required to be made by Respondents pursuant to this Agreement and Order shall be made payable to the order of "Idaho Department of Finance" and mailed to the Department at the following address:

Idaho Department of Finance
Attn: Securities Bureau
P.O. Box 83720
Boise, ID 83720-0031

26. Respondents agree to abide by the Idaho Uniform Securities Act in the future. In the event that they commit future violations of the Idaho Uniform Securities Act or fail to adhere to the terms of this Agreement and Order, Respondents acknowledge that Department can incorporate the allegations giving rise to this Agreement and Order in any future proceeding.

27. This Agreement and Order is in lieu of civil litigation or other proceedings.

DONE AND DATED this 8 day of May 2020.

BROOKE'S VENTURES, LLC d/b/a AULTERRA INTERNATIONAL

BY: Kim Dandurand, manager
Kim Dandurand, Manager

AULTERRA GLOBAL, LLC

BY: Kim Dandurand, manager
Kim Dandurand, Manager

Kim Armond Dandurand
KIM ARMOND DANDURAND

PATRICIA HIGHLEY
Securities Bureau Chief, Idaho Department of Finance

IT IS SO ORDERED this 11th day of May 2020.

Patricia R Perkins
PATRICIA R. PERKINS
Director, Idaho Department of Finance

DEPARTMENT OF FINANCE
DIRECTOR
SEAL
STATE OF IDAHO