



**NEWS RELEASE**

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**November 30, 2017**

**BOISE PROMOTER SETTLES STATE SECURITIES LAWSUIT**

*Jeffrey "Jeff" Grant Jerome Ordered to Repay Over \$150,000*

The Ada County District Court has awarded a \$152,676 judgment against Jeffrey "Jeff" Grant Jerome of Boise for alleged violations of the Idaho Uniform Securities Act involving the Powerhouse event center in Boise.

Without admitting or denying the State's allegations of misrepresentations and omissions, Jerome a) admitted to registration violations of the Idaho Uniform Securities Act, b) agreed to be permanently enjoined from issuing, offering or selling securities in Idaho, and c) agreed to the entry of a money judgment that is intended to be used for restitution payments to Idahoans affected by his fund-raising activities.

The stipulated settlement resolves a civil lawsuit filed in Fourth District Court by the Idaho Department of Finance against Mr. Jerome. The State argued that Mr. Jerome's activities constituted the offer and sale of promissory notes and investment contract securities related to the Powerhouse.<sup>1</sup>

According to the original complaint, Jerome allegedly obtained approximately \$238,500 from 17 Idaho investors and falsely led many investors to believe that they would have an ownership interest in the Powerhouse building. Jerome also was alleged to have defrauded investors by making various misrepresentations about the investment while omitting such important disclosures as:

- misrepresenting to some investors that their funds would be used to purchase the Powerhouse building;
- failing to inform investors that some of the funds raised would be used to
  - pay Jerome's personal expenses
  - pay back loans to himself and others
  - pay back rent on the Powerhouse building; and
- failing to disclose to investors that he was renting, not purchasing, the Powerhouse building.

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*Department of Finance press releases, a copy of the civil complaint, and settlement documents can be found on the Internet at [finance.idaho.gov](http://finance.idaho.gov) or may be obtained by contacting the department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378.*

<sup>1</sup> The Powerhouse building exists separately from Jerome, and others have used it as a concert and event venue. References to the Powerhouse in the State's complaint involve only Jerome's connection to it, and do not suggest or imply that the building itself or any other person's use of or connection to the Powerhouse building are related to Jerome or the acts described in the complaint.