

BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO

STATE OF IDAHO, Department of Finance,
Securities Bureau,

Complainant,

vs.

VW 3000 LLC, and
Dan A. Westmark,

Respondents.

Docket No. 1997-7-111

AGREEMENT AND ORDER

The Director of the Department of Finance has instituted an investigation into the conduct of Dan A. Westmark and VW 3000 LLC. Pursuant to said investigation, it appears to the Director that violations of the Idaho Securities Act, Idaho Code §30-1401 et seq., have occurred. The Director and the named Respondents have agreed to resolve this matter without a public hearing or court proceedings. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered. Respondents consent to the entry of this Agreement and Order.

Allegations of Department

1. Respondent VW 3000 LLC (VW 3000) is a limited liability company that filed with the Idaho Secretary of State on September 5, 1996. VW 3000 operates from 1755 N. Westgate Drive, Suite 225, Boise, Idaho.

2. Respondent Dan A. Westmark has represented himself as president, principal, manager and investor of VW 3000. Westmark resides at 10110 Springdale Court, Boise, Idaho.

Background

3. Beginning on a date uncertain, but at least since September 1996, Respondents have



offered and sold investment interests in a “High Yield Investment Program”. The monies raised were purportedly to be placed in an international bank debenture trading program that would produce returns in excess of one hundred percent (100%) per year. It was represented that investor principal would be secured by “prime bank” guarantees.

4. The High Yield Investment Program interests were never registered or otherwise qualified for sale as securities in the State of Idaho.

5. The offering materials used, and the oral solicitations made, failed to provide complete disclosures regarding the investment program, including a description of the risks associated with such a program.

Findings of Violations

6. The High Yield Investment Program interests are securities as defined under Idaho Code §30-1402(12).

7. The offering documents provided inadequate disclosure such that omissions of material fact occurred in violation of Idaho Code §30-1403(2), and the verbal disclosures delivered by Westmark provided inadequate disclosure such that omissions of material fact occurred in violation of Idaho Code §30-1403(2).

8. The offering was conducted in violation of the salesperson and securities registration provisions of Idaho Code §§30-1406 and 30-1416.

Remedies

Complainant and Respondents hereby agree as follows:

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



2. Respondents admit that the High Yield Investment Program interests are securities.
3. While Complainant has alleged violations of the Idaho Securities Act, Respondents neither admit nor deny that any violations have occurred.
4. Respondents represent that all monies raised from investors for the High Yield Investment Program were returned prior to any notification from Complainant.
5. Respondents agree to not solicit any further investments for the High Yield Investment Program, or any similar bank debenture program. Respondents also agree to not act in any capacity for any similar bank debenture program whether the monies are raised in Idaho or elsewhere.
6. Respondents agree to abide by the Idaho Securities Act in the future. In the event that Respondents commit violations of the Idaho Securities Act within five (5) years of the date of this Order, Respondents acknowledge that Complainant can incorporate the allegations giving rise to this Order in any future proceeding.
7. Complainant acknowledges that Respondent Westmark is engaged in the mortgage brokering business and that nothing in this Order is intended to limit the normal, lawful conduct of Respondent's mortgage activities.
8. Respondents agrees to cooperate fully with Complainant in the event Complainant determines to seek enforcement action against other partners or principals of VW 3000 LLC.
9. Respondents agree to cooperate fully with Complainant in its investigation of a similar investment program known to Respondents and identified in correspondence between Respondents and Complainant dated September 11, 1997.
10. This Agreement and Order is in lieu of civil litigation or other proceedings.

A handwritten signature in black ink, appearing to be 'D. West', is located in the bottom right corner of the page.

DONE AND DATED at Boise, Idaho, this 8th day of January 1998.

VW 3000, LLC.

By: DAN A. WESTMARK

Name: _____

Title: President - Member

[Signature]
DAN A. WESTMARK

[Signature]
MARILYN T. SCANLAN
Bureau Chief, Securities Bureau
Department of Finance
State of Idaho

IT IS SO ORDERED This 16th day of JAN., 1998.

[Signature]
GAVIN M. GEE
Director of Finance

