

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

STATE OF IDAHO, Department of Finance,
Securities Bureau,
Complainant,

vs.

Investments Eternal, Eagle International Ministries,
Dale R. Black and Paula Black,
Respondents.

Docket No. 2004-7-16

AGREEMENT AND ORDER

The Director of the Idaho Department of Finance has instituted an investigation into the conduct of Investments Eternal, Eagle International Ministries, Dale Black and Paula Black and their agents and representatives. Pursuant to said investigation, it appears to the Director that violations of the Idaho Securities Act and the Uniform Securities Act, (hereinafter collectively referred to as the "Act"), Title 30, Chapter 14, Idaho Code, 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.

Respondents

1. Respondent "Investments Eternal" filed a certificate of assumed business name with the Idaho Secretary of State on July 28, 2004. The filing documents show that the true name of the person doing business under the assumed name is Dale R. Black. He represents his position as chief executive officer and president. Respondent Investments Eternal uses the address P.O. Box 1506 Eagle, ID 83616.

2. Respondent Dale R. Black has been an Idaho resident for approximately seven months.

He recently moved from California. He has used the address of 921 Clear Lake Place, Eagle, ID 83616. He states that he is the Chief Executive Officer and President of Investments Eternal. Mr. Black became licensed as insurance agent in Idaho on July 27, 2004. He is the husband of Paula Black.

3. Respondent Paula Black is a co-owner of Investments Eternal and is the wife of Dale R. Black. She has been an Idaho resident for approximately seven months having recently moved from California. She has used the address of 921 Clear Lake Place, Eagle, ID 83616.

Background

4. Beginning on a date uncertain, but at least since June of 2004, the Respondents and their agents or representatives offered securities in the form of investment partnerships and profit sharing agreements in Investments Eternal to residents of Idaho and other states.

5. The Respondents placed advertisements in the Idaho Statesman newspaper to solicit investors. The newspaper advertisement claimed that they were looking for partners, that the minimum investment was \$10,000.00 and that the partner would make “+50%” per year. The advertisement directed investors to a website at www.captdale.net or to a telephone number of 703-4363.

6. The Respondents made public solicitations to invest through websites at www.investmentseternal.org, at www.captdale.net and at www.eagleinternationalministries.org.

7. The Respondents represented to investors through their websites that investors could “team up together to share equal profits with a system of stock market trading that brings solid returns yet is low risk.” The Respondents provided no basis for their claims of solid returns and low risk.

8. The Respondents represented to investors that they would form a partnership wherein the

investor would retain 100% ownership of the principal but would spit the profits 50/50 between the investor and the Blacks.

9. Respondent Paula Black represented in website solicitations that her portfolio increased by 68% in 2002, 112% in 2003 and was on target to exceed 200% in 2004. No reasonable basis was given to support these claimed returns.

10. The Respondents represented to investors that they could expect from 30% to 50% annual pre-tax return, probably better. No reasonable basis was given for these claimed returns.

11. The Respondents targeted churches and ministries in website solicitations stating that “Investments Eternal is a professional organization which uses proven investing systems to multiply and increase ministry finances.” In correspondence with this Department the Respondents stated that they had just formed Investments Eternal as a sole proprietorship, did not have any clients, did not have any business and had only \$8.00 in a company bank account.

12. The Respondents also offered an interest program that claims to pay 10% for 12 months, 15% for 24 months and 20% annual interest for 36 months. No basis was given as to how such returns would be generated.

13. The Respondents also offered to provide training in investment strategies for costs ranging from \$2,975.00 per person to \$5,975.00 per person.

14. The Respondents claimed to have a ranch in central Idaho called the Dot W Ranch. The pictures used to depict the Dot W Ranch are actually pictures of the Granite Creek Ranch in Ririe, Idaho. The Respondents have no ownership interest in the Granite Creek Ranch. The Respondents represented that donations could be made to the ranch for the sake of a Christian ministry and that such donations would provide an investment return to the donor. Prospective donors are directed to

a webpage that offers the Investment Eternal program as well as investment interests in a charitable gift annuity.

15. The securities offered by the Respondents were not registered with the Idaho Department of Finance.

16. The Respondents were not licensed to offer or sell securities in the State of Idaho.

Findings of Violations

Count I

17. The partnership and profit sharing interests offered to Idaho investors are securities as defined under Idaho Code §30-14-102(28).

18. The securities offered to Idaho investors were not registered for sale in Idaho as required by the Uniform Securities Act.

19. The Respondents have violated Idaho Code §30-14-301.

Count II

20. The Respondents were not licensed to offer or sell securities in Idaho as a broker-dealer or an agent of a broker-dealer.

21. The Respondents have violated Idaho Code §30-14-401 and §30-14-402.

Count III

22. The Respondents made misrepresentations of material fact in that they represented to investors that they could make +50% return on their investments with low risk. Respondents did not provide a reasonable basis for such claims.

23. Respondents have violated Idaho Code §30-14-501(2).

Count IV

24. In an effort to convince investors to put money into the Investments Eternal investment program Respondent Paula Black made misrepresentations of material fact by stating that she was on target to exceed 200% return in 2004. Respondent had no basis for such statement.

25. Respondent Paula Black has violated Idaho Code §30-14-501(2).

Count V

26. The Respondents led investors to believe that Investments Eternal was a professional organization with a proven investment system when in fact it was a recently established sole proprietorship with little professional investment experience, no clients and only \$8.00 in its bank account.

27. Respondents have violated Idaho Code §30-14-501(2).

Remedies

Complainant and Respondents hereby agree as follows:

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

29. Respondents represent that they have made no sales of securities in Idaho.

30. Respondents represent that they have made no sales of securities in other states while in Idaho.

31. Respondents consent to the entry of this Order, while neither admitting nor denying the allegations or the findings of violations as outlined herein.

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

33. Respondents agree to disable their websites until such websites are in compliance with the Uniform Securities Act.

34. Respondents agree to not claim the availability of, use, or offer or sell securities under any exemptions under the 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 Respondents' proposed activities in Idaho.

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

36. Respondents agree to pay to Complainant the total amount of one thousand, five hundred dollars (\$1,500.00). Of the one thousand, five hundred dollars (\$1,500.00), five hundred dollars (\$500.00) is paid as a fine and one thousand dollars (\$1,000.00) may be applied to the financial literacy and investor education efforts undertaken by the Complainant in the State of Idaho. Said amount will be paid to the Idaho Department of Finance within thirty (30) days of the date of this Order.

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

DONE AND DATED at Boise, Idaho, this 7 day of ^{January 2005} ~~December~~ 2004.

INVESTMENTS ETERNAL

BY: DALE R. BLACK

NAME: DALE R. BLACK

TITLE: POST PRESIDENT INVESTMENTS
ETERNAL

DALE R. BLACK
DALE R. BLACK

PAULA K. BLACK
PAULA BLACK

MARILYN T. CHASTAIN
MARILYN T. CHASTAIN
Bureau Chief, Securities Bureau
Department of Finance, State of Idaho

IT IS SO ORDERED this 12th day of January 5, 2004.

GAVIN M. GEE
GAVIN M. GEE
Director, Idaho Department of Finance

