

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

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

vs.

DJM Enterprises, Team Concepts, L.P., Team
Builders, L.P., Michael Huffman, Jeffrey D.
Underwood, et al,
Respondents.

Docket No. 2004-7-21

AGREEMENT AND ORDER

The Director of the Idaho Department of Finance has instituted an investigation into the conduct of DJM Enterprises, Team Concepts, L.P., Team Builders, L.P., Michael Huffman, Jeffrey D. Underwood 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 (2004), (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 "DJM Enterprises" filed a certificate of assumed business name with the Idaho Secretary of State on April 22, 2004. The filing documents show that the true name of the person doing business under the assumed name is Mike Huffman. In that document, Huffman represents his position as general partner. DJM operated as a partnership prior to their filing with the Secretary of State and as early as January of 2000. Respondent DJM Enterprises uses the address 11359 W. Hickory Loop, Boise, ID 83713.

2. Respondent Team Concepts, L.P. filed a certificate of limited partnership with the Idaho Secretary of State on January 27, 2000. The filing document lists the registered agent as Jeffrey Underwood and the general partners as DJM Enterprises, Mike Huffman and Jeffrey Underwood. The address of the registered agent is 12172 W. Stillwater Drive, Boise, ID 83713.

3. Respondent Team Builders, L.P. filed a certificate of limited partnership with the Idaho Secretary of State on December 10, 2002. The filing document lists the registered agent as Mike Huffman and the general partner as DJM Enterprises. The address of the registered agent is 11359 W. Hickory Loop Drive, Boise, ID 83713.

4. Respondent Michael Huffman is an Idaho resident living at 11359 W. Hickory Loop Drive, Boise, ID 83713. He is the founder, promoter and general partner of DJM Enterprises and Team Concepts, L.P.

5. Respondent Jeffrey Underwood is an Idaho resident living at 12172 W. Stillwater Drive, Boise, ID 83713. He is a general partner in Team Concepts, L.P. and has partnership interests in DJM Enterprises and Team Builders, L.P. He is the son in law of Michael Huffman.

Background

6. Beginning on a date uncertain, but at least since January of 2000, the Respondents and their agents or representatives offered securities in the form of limited partnership interests in Team Concepts, L.P. and Team Builders, L.P. to residents of Idaho.

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

8. The securities offered by the Respondents were not registered or exempt from registration under the provisions of the Idaho Securities Act.

9. On February 9, 2000 the Respondents made a notice filing (a Regulation D, Rule 506

notification) with the Idaho Department of Finance for Team Concepts, L.P. The Respondents never made a similar filing with the U.S. Securities and Exchange Commission. Several of the investors in the issue were not “sophisticated” nor “accredited investors” as required by Regulation D.

10. The Respondents represented to investors that Team Builders, L.P. was exempt from registration with the Securities and Exchange Commission based on Rule 505 under Regulation D of the Securities Act. In fact the Respondents never filed for a Regulation D, Rule 505 exemption.

11. The Respondents represented to investors that their investment interests were secured by real estate when in fact Mr. Huffman represented to the Department that the real estate was owned in his own name.

12. The Respondents represented to investors that their investment interests were secured by real estate when in fact Mr. Huffman represented to the Department that portions of the investor’s funds were invested in a startup company that manufactured gun holsters.

13. The Respondents represented to investors that they could make additional income by soliciting other investors to invest in the limited partnerships.

Findings of Violations

Count I

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

15. The securities offered to Idaho investors were not registered for sale or properly exempt from registration in Idaho as required by the Uniform Securities Act (2004).

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

Count II

17. The Respondents and their agents or representatives were not licensed to offer or sell securities in Idaho as broker-dealers or as agents of a broker-dealer.

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

Count III

19. The Respondents made misrepresentations of material fact in that they stated that investment interests in Team Builders, L.P. were exempt from registration when in fact the Respondents did not file for the exemption claimed.

20. The Respondents made misrepresentations of material fact in that they represented to investors that their investments would be directly secured by real estate when in fact the real estate was not owned in the name of the partnerships.

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

Count IV

22. The Respondents failed to provide adequate disclosures regarding the investments and associated risks such that violations of Idaho Code §30-14-501(2) did occur.

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 neither admit nor deny the findings of violations contained in this Order.
3. 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 (2004).

4. Respondents agree to offer rescission to all investors who have purchased investment interests in Team Concepts, L.P. and/or Team Builders, L.P. Such rescission offer shall be made within ninety (90) days of the date of this order. Respondents shall provide a copy of the proposed rescission offering documents to the Department for approval prior to delivery to investors. Respondents agree to provide a report to the Department identifying each investor and whether such investor accepted or rejected the rescission offering.

5. Respondents agree not to offer or sell any covered securities or securities pursuant to any exemptions allowed under the Uniform Securities Act (2004) 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.

6. Respondents acknowledge that they cannot directly or indirectly compensate any person for the solicitation or sale of securities unless that person is licensed to sell securities or is exempt from such licensing requirement.

7. Respondents agree to abide by the Uniform Securities Act (2004) in the future. In the event that Respondents commit future violations of the Uniform Securities Act (2004) 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.

8. Respondents agree to pay to Complainant the total amount of one thousand dollars (\$1,000.00). Of the one thousand dollars (\$1,000.00), five hundred dollars (\$500.00) is for the cost of investigation and five hundred dollars (\$500.00) 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.

9. Pursuant to Rule 059.03(b) of the Idaho Uniform Securities Act (2004) Complainant agrees to waive the disqualification found in Rule 059.02(c) of the Idaho Uniform Securities Act (2004) as it pertains to future Regulation D, Rule 505 exemption filings.

10. Complainant agrees to not unreasonably withhold the approval of any registration or notice filings made by Respondents in the future.

11. This Agreement and Order is in lieu of civil litigation or other proceedings in this matter.

DONE AND DATED at Boise, Idaho, this ___ day of January 2005.

DJM ENTERPRISES

BY: Michael Huff

NAME: Michael Huffman

TITLE: Partner

TEAM CONCEPTS, L.P.

BY: Jeffrey D. Underwood

NAME: Jeffrey D. Underwood

TITLE: General Partner

TEAM BUILDERS, L.P.

BY: Michael Huff

NAME: Mike Huffman

TITLE: General Partner

Michael Huff
MICHAEL HUFFMAN

Jeff Underwood

JEFFREY D. UNDERWOOD



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

IT IS SO ORDERED this 27th day of January 2005.



GAVIN M. GEE
Director, Idaho Department of Finance

