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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Securities Act of the State
of Washington by:

Gretchen Sidorov; Brent Gill; Mary Ann
Gough; Reserve Foundation Trust LLC;

Respondents.

Order Number S-04-247-05-FO02

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL ORDER
TO CEASE AND DESIST AS TO BRENT GILL

THE STATE OF WASHINGTON TO: Brent Gill

On April 27, 2005, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist S-04-247-05-SC01 ("the Order"), against Respondents Gretchen Sidorov, Brent Gill, Mary Ann Gough and Reserve Foundation Trust, LLC.

The Order, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing", was served on Brent Gill on June 6, 2005. The Notice of Opportunity for Hearing advised Brent Gill that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. Brent Gill waived his right to a hearing in this matter and, in lieu, submitted a written statement for consideration by the Director of the

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1 Department of Financial Institutions or the Securities Administrator. The Securities Administrator has
2 reviewed and considered the statement that Gill submitted.

3 The Securities Administrator adopts as final the findings of fact and conclusions of law as set forth in
4 the Statement of Charges.

5
6 The Securities Administrator makes the following findings of fact and conclusions of law as to Brent
7 Gill:

8
9 **FINDINGS OF FACT**

10 **I. RESPONDENTS**

11 1. Gretchen Sidorov aka Gretchen Umlauf (“Sidorov”) is currently a resident of Alaska.
12 Sidorov formerly lived in Washington State. Sidorov filed for Chapter 13 Bankruptcy in the District of
13 Oregon Bankruptcy Court on December 12, 2001.

14 2. Brent Gill (“Gill”) is a Tennessee resident who was director of Resource Holdings
15 International LLC, with its principal place of business in Brentwood, Tennessee; president of Brentwood
16 Transactions Limited, with its principal place of business in Brentwood, Tennessee; and represented
17 Eagle Society Group, with its principal place of business in Brentwood, Tennessee.

18 3. Mary Ann Gough (“Gough”) is a California resident who represented Gold Coast Enterprises
19 (“Gold Coast”), with its principal place of business in Brea, California.

1 4. Reserve Foundation Trust LLC (“RFT”), with its headquarters in Colorado, was
2 purportedly formed to consolidate the resources and investments of humanitarian aid organizations.
3 RFT’s principals Leon Harte (“Harte”), Charles Lewis (“Lewis”) and Norman Schmidt (“Schmidt”)
4 resided in Colorado. Lewis and Schmidt were indicted in Colorado in 2004 and face 57 counts of fraud,
5 conspiracy and money laundering for the RFT trading program. Harte suffered a fatal heart attack before
6 the indictment.

7 II. NATURE OF THE CONDUCT

8 5. Sidorov became involved with RFT through Gill and Gough who sent initial offering
9 documents and paperwork for Sidorov to complete and return that enabled her to become part of the RFT
10 trading program. Sidorov also signed an agreement with Gold Coast to participate in the trading program.

11 6. According to RFT one person in each group of investors was to disseminate the
12 information about the RFT trading program to the other investors. Sidorov was the contact person for a
13 group of investors.

14 7. RFT claimed to trade in off-shore bank debentures. RFT offered and sold investment
15 opportunities in its trading program to members of the public. The investment was to pay a 40% interest per
16 month for one year and twenty-one days. The money would be deposited and secured by a “Top Money
17 Center Bank.” The funds would then be used for trading bank debentures purportedly regulated by the
18 International Chamber of Commerce (ICC). The minimum required to invest in the trading program was
19 \$100,000.

1 8. On or about June of 2000 Sidorov offered to at least four individuals the RFT investment.
2 Sidorov knew the potential investors through a family member. Sidorov offered and sold RFT investments
3 for a total of approximately \$190,000 to the four investors.

4 9. Sidorov told investors that there was a 40% monthly rate of return and gave them RFT
5 documents outlining the investment. Sidorov told the investors that she and her family member had been
6 involved with the investment since April of 2000. Sidorov told investors that she needed their money by
7 July of 2000 in order for them to participate in the investment. Investors were told that they could expect
8 their interest payments to begin in August of 2000.

9 10. Sidorov told the investors to send their money to her personal bank account at the National
10 Bank of Alaska. On or about July 8, 2000 one Colorado investor wired \$30,000 to the National Bank of
11 Alaska. In or about July of 2000 another Colorado investor sent a check to the National Bank of Alaska in
12 the amount of \$20,000. The investors sent the money to Sidorov's account for the specific purpose of
13 participating in the RFT investment.

14 11. The money was to be transferred to a Bank of America account that Sidorov had opened at
15 the instruction of Gill. From the Bank of America account the money was to be wire transferred to a bank in
16 Nevis, West Indies and then wire transferred to the RFT bank account in Colorado. The bank account in
17 Colorado belonged to Harte. After each transfer Gill was to send a copy of the transfer to Sidorov through
18 Gough.

19 12. On or about August of 2000 investors were told that the money was not invested in the
20 original RFT trading program, but that there was a chance to invest in a different trading program with a

1 10% monthly rate of return. Sidorov again stated that she needed \$100,000 to participate in the investment.
2 On or about September 14, 2000 the same Colorado investor wired an additional \$20,000 to the National
3 Bank of Alaska as instructed by Sidorov.

4 13. The investors were told in or about November of 2000 by Sidorov that their money was
5 never invested as they thought it was. When the investors asked for their money back from Sidorov, she told
6 them that she did not have it and that it had been sent out of the country.

7 14. These trading programs were the subject of an October 25, 1993; July 17, 1996; and May 20,
8 2002 Investment Scheme Advisory issued by the Board of Governors of the Federal Reserve System
9 warning the public about these illegal schemes.

10
11 Based upon the above Findings of Fact, the following Conclusions of Law are made as to Brent
12 Gill:

13
14 **CONCLUSIONS OF LAW**

15 1. The offer or sale of RFT investments described above constitutes the offer or sale of a
16 security as defined in RCW 21.20.005(10) and (12).

17 2. The offer or sale of said securities is in violation of RCW 21.20.140 because there is no
18 registration for such offer or sale on file with the Securities Administrator.

19 3. Brent Gill has violated RCW 21.20.040 by offering or selling said securities while not
20 registered as a securities salesperson or broker-dealer in the state of Washington.

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1 4. The offer and/or sale of said securities was made in violation of RCW 21.20.010 because
2 Brent Gill made misstatements of material fact or omitted to state material facts necessary in order to make
3 the statements made, in light of the circumstances under which they were made, not misleading.
4

5 **FINAL ORDER**

6 Based on the foregoing:
7

8 It is hereby ORDERED that the Respondent, Brent Gill, and his agents and employees, each
9 cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140, the
10 section of the Securities Act of Washington requiring registration.

11 It is further ORDERED that Respondent, Brent Gill, and his agents and employees, each cease
12 and desist from violation of RCW 21.20.010, the anti-fraud section of the Securities Act.

13 It is further ORDERED that Respondent, Brent Gill, and his agents and employees, each cease
14 and desist from violation of RCW 21.20.040, the broker-dealer and securities salesperson registration
15 section of the Securities Act.
16

17 **AUTHORITY AND PROCEDURE**

18 This Final Order is entered pursuant to the provisions of 21.20.390, and is subject to the provisions
19 of Chapter 34.05 RCW. Respondent has the right to petition the superior court for judicial review of this
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1 agency action under the provisions of chapter 34.05 RCW. For the requirements for filing a Petition for
2 Judicial Review, see RCW 34.050.510 and sections following.

3
4 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

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6 DATED and ENTERED this 6th day of September, 2005.

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10 _____
MICHAEL E. STEVENSON
Securities Administrator

11 Presented by:

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13
Kate Reynolds
Financial Legal Examiner

14 Approved by:

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17 _____
Suzanne Sarason
Chief of Compliance & Examinations