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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 Washington by:

SDO - 22 - 02

INTERNATIONAL INVESTORS PRIVATE
PLACEMENT FUND, LLC; INTERNATIONAL
INVESTMENT ADVISORS, LLC; WILLIAM V.
FOWLER; their agents and employees,

STATEMENT OF CHARGES AND NOTICE OF
INTENTION TO ENTER ORDER TO CEASE
AND DESIST

Respondents.

Case No. 01-05-193

THE STATE OF WASHINGTON TO: William V. Fowler
International Investors Private Placement Fund, LLC
International Investment Advisors, LLC

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the state of Washington has reason to believe that International Investors Private Placement Fund, LLC, International Investment Advisors, LLC, and William V. Fowler have violated the Securities Act of Washington and that their violations justify the entry of an order of the Securities Administrator to cease and desist from such violations pursuant to RCW 21.20.390. The Securities Administrator finds as follows:

STATEMENT OF CHARGES AND NOTICE OF
INTENTION TO ENTER ORDER TO CEASE
AND DESIST

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

TENTATIVE FINDINGS OF FACT

I. Respondents

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3 1. **INTERNATIONAL INVESTORS PRIVATE PLACEMENT FUND, LLC** (“IIPPF”) is a
4 Delaware limited liability company with a last known business address of 9564 Silverdale Way, Suite 200,
5 Silverdale, Washington.

6 2. **INTERNATIONAL INVESTMENT ADVISORS, LLC** (“IIA”) is a Washington limited liability
7 company with a last known business address of 9564 Silverdale Way, Suite 200, Silverdale, Washington.

8 3. **WILLIAM V. FOWLER** (“Fowler”) was the Manager of IIPPF and the Manager of IIA at all
9 times relevant to the matters contained herein.

II. Prior History with the Washington Securities Division

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11 4. On April 27, 1998, Consent Order SDO-24-98 was entered by the Washington Securities Division
12 in settlement of Summary Order to Cease and Desist SDO-34-97, Case No. 97-02-0119, as to William V. Fowler
13 and International Estate Financial Planning Inc. In the Consent Order Fowler agreed, and was ordered, to cease
14 and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140, RCW 21.20.010,
15 and RCW 21.20.040.

III. Nature of the Offering

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17 5. On December 21, 1999, Fowler filed a Form D Notice of Sale of Securities Pursuant to Regulation
18 D, Section 4 (6), and/or Uniform Limited Offering Exemption (“Form D”). The Form D indicated IIPPF planned
19 to conduct an offering of limited liability company membership interests pursuant to Rule 506 of the Securities Act
20 of 1933 and WAC 460-44A-506. The Form D describes the business of IIPPF as “(i)nvesting (p)rimary in
21 private placement offerings.”

22 6. In December of 1999, Fowler offered and sold IIPPF LLC membership interests to at least two
23 Washington residents and one Idaho resident (hereinafter referred to as the “investors”). The investors invested at
24 least \$475,000 in IIPPF LLC membership interests, and were designated as non-managing members of IIPPF.

1 7. In conjunction with the offer and sale of LLC membership interests, investors received a private
2 placement memorandum. The private placement memorandum states that IIPPF's objective is to invest the funds
3 of up to 100 members in private placement offerings.

4 8. The private placement memorandum also contains an IIPPF LLC operating agreement. The IIPPF
5 LLC operating agreement states that IIA is the manager of IIPPF and that non-managing members shall take no
6 part in the conduct, management or control of IIPPF. The LLC operating agreement further authorizes IIA, as the
7 manager of IIPPF, to receive an annual fee equal to 2.0% of the first \$25,000,000 of IIPPF's assets for providing
8 administrative and management services to IIPPF.

9 9. In conjunction with the offer and sale of IIPPF LLC membership interests, investors also received
10 and were required to sign a subscription booklet. The subscription booklet contains, among other documents, a
11 subscription agreement, a prospective investor questionnaire, and a signature page. The signature page reflects the
12 amount each investor agreed to invest in IIPPF.

13 10. In connection with the offer and sale of IIPPF LLC membership interests to investors, Respondents
14 failed to provide material information regarding IIPPF during the investment offering, including, but not limited
15 to: (1) information about the use of investor proceeds; (2) information about Fowler's background and
16 management experience; (3) the financial condition and financial statements of IIPPF; and (4) the existence of
17 Consent Order SDO-24-98 entered by the Washington Securities Division.

18 11. Respondents advertised the offering on the website, <http://www.intlinvestadvisor.com>. The above
19 described IIPPF private placement memorandum, IIPPF LLC operating agreement, and IIPPF subscription
20 agreement were accessible to the public via this website.

21 **IV. Registration Status**

22 12. Respondents IIPPF, IIA, and Fowler are not currently registered to offer or sell its securities in the
23 state of Washington and have not previously been so registered. Notwithstanding the filing of the Form D,
24 Respondents failed to comply with the conditions of Regulation D, including but not limited to the requirement

1 that neither the issuer nor any person acting on its behalf shall offer or sell the securities by any form of general
2 solicitation or general advertising pursuant to 17 CFR 230.502(c).

3 13. IIA was registered as an investment adviser from March 17, 1998 until June 15, 2001.

4 14. William V. Fowler was registered as an investment adviser representative for IIA from March 17,
5 1998 until June 15, 2001.

6 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

7 **CONCLUSIONS OF LAW**

8 1. The offer and/or sale of limited liability company units as described above constitutes the offer
9 and/or sale of a security as defined in RCW 21.20.005(10) and (12), to wit: an investment contract; or risk capital.

10 2. The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, as
11 specifically set forth in paragraph 10 of the Tentative Findings of Fact, Respondents made untrue statements of
12 material fact and/or omitted to state material facts necessary in order to make the statements made, in light of the
13 circumstances under which they were made, not misleading.

14 3. The offer and/or sale of said securities is in violation of RCW 21.20.140 because no registration for
15 such offer and/or sale is on file with the Securities Administrator of the state of Washington, and no valid claim of
16 exemption for such offers and/or sales existed.

17 4. Respondents IIPPF, IIA, and Fowler have violated RCW 21.20.040 by offering said securities while
18 not being registered as broker-dealers or securities salespersons in the state of Washington.

19 5. Respondent Fowler has violated Consent Order SDO-24-98 by offering and/or selling securities in
20 violation of RCW 21.20.010, RCW 21.20.140, and RCW 21.20.040.
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NOTICE OF INTENTION TO ORDER RESPONDENTS TO CEASE AND DESIST

Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondents International Investors Private Placement Fund, LLC, International Investment Advisors, LLC, and William V. Fowler, and their agents and employees, each permanently cease and desist from violations of RCW 21.20.010, RCW 21.20.140, RCW 21.20.040, and Consent Order SDO-24-98.

AUTHORITY AND PROCEDURE

This Order is entered pursuant to the provisions of RCW 21.20.390, and is subject to the provisions of Chapter 34.05 RCW. Each of the Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Order.

If a Respondent does not request a hearing, the Securities Administrator intends to adopt the foregoing Tentative Findings of Fact and Conclusions of Law as final, and enter a permanent cease and desist order against that Respondent.

DATED this 13th day of March, 2002.



DEBORAH R. BORTNER
Securities Administrator

Approved by:

Presented by:

Michael E. Stevenson
Chief of Enforcement

Chad Standifer
Staff Attorney