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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 - 33 - 02

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

ENTRY OF FINDINGS OF FACT AND
CONCLUSIONS OF LAW AND FINAL 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

On March 13, 2002, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intention to Enter Order to Cease and Desist SDO-22-02 hereinafter referred to as the "Statement of Charges."

The Statement of Charges, 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"), were personally served on Respondents William V. Fowler, International Investors Private Placement Fund, LLC and International Investment Advisors, LLC on March 22, 2002. The Notice of Opportunity for Hearing advised Respondents that they had twenty days from the date they received the notice to file a written application for an administrative hearing on the Statement of Charges.

Respondents William V. Fowler, International Investors Private Placement Fund, LLC and International Investment Advisors, LLC each failed to request an administrative hearing within twenty days of its receipt of the

ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF
LAW AND FINAL 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

1 Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided or
2 otherwise.

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

5 The Securities Administrator makes the following findings of fact and conclusions of law:

6 **FINDINGS OF FACT**

7 **I. Respondents**

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

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

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

15 **II. Prior History with the Washington Securities Division**

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

21 **III. Nature of the Offering**

22 5. On December 21, 1999, Fowler filed a Form D Notice of Sale of Securities Pursuant to Regulation
23 D, Section 4 (6), and/or Uniform Limited Offering Exemption (“Form D”). The Form D indicated IIPPF planned

1 to conduct an offering of limited liability company membership interests pursuant to Rule 506 of the Securities Act
2 of 1933 and WAC 460-44A-506. The Form D describes the business of IIPPF as “(i)nvesting (p)rimary in
3 private placement offerings.”

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

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

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

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

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

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

4 **IV. Registration Status**

5 12. Respondents IIPPF, IIA, and Fowler are not currently registered to offer or sell its securities in the
6 state of Washington and have not previously been so registered. Notwithstanding the filing of the Form D,
7 Respondents failed to comply with the conditions of Regulation D, including but not limited to the requirement
8 that neither the issuer nor any person acting on its behalf shall offer or sell the securities by any form of general
9 solicitation or general advertising pursuant to 17 CFR 230.502(c).

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

11 14. William V. Fowler was registered as an investment adviser representative for IIA from March 17,
12 1998 until June 15, 2001.

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

14 **CONCLUSIONS OF LAW**

15
16 1. The offer and/or sale of limited liability company units as described above constitutes the offer
17 and/or sale of a security as defined in RCW 21.20.005(10) and (12), to wit: an investment contract; or risk capital.

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

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

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

6 5. Respondent Fowler has violated Consent Order SDO-24-98 by offering and/or selling securities in
7 violation of RCW 21.20.010, RCW 21.20.140, and RCW 21.20.040.

8 **FINAL ORDER**

9 Based upon the foregoing, NOW, THEREFORE, IT IS HEREBY ORDERED that William V. Fowler,
10 International Investors Private Placement Fund, LLC and International Investment Advisors, LLC, and their agents
11 and employees, shall each cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act.

12 It is further ORDERED that William V. Fowler, International Investors Private Placement Fund, LLC and
13 International Investment Advisors, LLC, and their agents and employees, shall each cease and desist from violating
14 RCW 21.20.140 by offering and/or selling unregistered securities.

15 It is further ORDERED that William V. Fowler, International Investors Private Placement Fund, LLC and
16 International Investment Advisors, LLC, shall each cease and desist from violating RCW 21.20.040 by acting as a
17 securities broker-dealer or securities salesperson without being so registered.

18 This Order is entered pursuant to the provisions of RCW 21.20.390, and is subject to the provisions of
19 Chapter 34.05 RCW.

20 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

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DATED this 18th day of April, 2002.

Deborah R Bortner

DEBORAH R. BORTNER
Securities Administrator

Approved by:

Presented by:

Michael E. Stevenson
Chief of Enforcement

Chad Standifer
Staff Attorney