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

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

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WILLIAM BROTHERTON; INTERNATIONAL  
BUSINESS CONSORTIUM; their agents and  
employees,  
  
Respondents

SDO -76 - 01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER  
CEASE AND DESIST

Case No. 01-06-216

THE STATE OF WASHINGTON TO: William Brotherton  
International Business Consortium  
6609 South Shields Street  
Fort Collins, Colorado 80526

On July 20, 2001, the Securities Administrator of the State of Washington issued Summary Order to Cease and Desist SDO-57-01, hereinafter referred to as the Summary Order to William Brotherton and International Business Consortium.

The Summary 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") thereon, were served on William Brotherton on 10/26/2001. The Notice of Opportunity for Hearing advised William Brotherton and International Business Consortium that each had twenty days from the date of receipt of the notice to file a written application for an administrative hearing on the Statement of Charges.

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL  
ORDER CEASE AND DESIST

1 William Brotherton and International Business Consortium each failed to request an administrative  
2 hearing within twenty days of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either  
3 on the Application for hearing provided or otherwise.

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

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

7 FINDINGS OF FACT

8 I.

9 International Business Consortium (“IBC”) is a Colorado corporation with its principal place of  
10 business at 6609 South Shields Street, Fort Collins, Colorado 80526. IBC is attempting to raise money  
11 to purchase an insurance company with which to provide workers compensation insurance to  
12 employers.

13 II.

14 William Brotherton (“Brotherton”) is a Colorado resident with a primary place of residence at  
15 6609 South Shields Street, Fort Collins, Colorado 80526.

16 III.

17 Until at least June of 2001 International Business Consortium maintained a website on the World  
18 Wide Web, located at [www.members.aol.com/\\_ht\\_a/biginsure/ppm.html?mtbrand=AOL\\_US](http://www.members.aol.com/_ht_a/biginsure/ppm.html?mtbrand=AOL_US). This  
19 website provided viewers with information on how to invest with IBC. Viewers were able to  
20 download information on the company’s business profile and future business goals. Viewers had the  
21 ability to read a Private Placement Memorandum.  
22

1 The Private Placement Memorandum claimed to be raising \$20,000,000 in capital by selling  
2 20,000,000 shares of IBC stock. The stock was to be purchased at \$1 per share. IBC claimed to be  
3 raising funds with the goal of purchasing an insurance company. Through this insurance company,  
4 IBC was planning to provide workers compensation insurance to employers.

5 In May of 2001, at least one Washington investor viewed the provided information on the Internet  
6 and decided to invest. The investor downloaded the Stock Purchase Agreement, filled it out and  
7 mailed the agreement and a check for \$500 to the address in Colorado. The Stock Purchase  
8 Agreement indicated that only IBC members or accredited investors would be allowed to invest. For a  
9 fee of \$50, to be taken from the \$500 investment, the Washington investor chose to become an IBC  
10 member. As of May 31, 2001 there were over 130 investors in 30 different states.

11 The Private Placement Memorandum guaranteed that an investment of \$5000 would result in the  
12 investor becoming a millionaire by June 1, 2002. The Washington investor read that if certain goals  
13 were not reached within a certain time period that 75% of the investment would be refunded; the  
14 remaining 25% would be kept for administration expenses.

15 The Washington investor was not provided with a prospectus or any disclosures regarding the risk  
16 of the investment. There were no financial statements reflecting the financial stability of the company.  
17 IBC did not provide data related to the projected returns or income guaranteed in the Private  
18 Placement Memorandum.  
19

20 IV.

21 International Business Consortium is not currently registered to sell its securities in the state of  
22 Washington and has not previously been so registered.  
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V.

William Brotherton is not currently registered as a securities salesperson or broker-dealer in the state of Washington and has not previously been so registered.

VI.

The Securities Administrator finds that the continued offering of stock in International Business Consortium in the manner described in Finding of Fact Section III presents a threat to the investing public.

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

CONCLUSIONS OF LAW

I.

The offer and/or sale of International Business Consortium described above constitutes the offer and/or sale of a security as defined in RCW 21.20.005(10) and (12), to wit: a stock.

II.

The offer and/or sale of said securities is in violation of RCW 21.20.140 because no registration or notification of claim of exemption for such offer and/or sale is on file with the Administrator of Securities, state of Washington and it appears that the respondent does not otherwise qualify for an exemption from registration.

III.

William Brotherton has violated RCW 21.20.040 by offering and/or selling said securities while not registered as a securities salesperson or broker-dealer in the state of Washington.

IV.

The offer and/or sale of said securities was made in violation of RCW 21.20.010 because there was inadequate information provided to investors to allow the investors to make an informed decision prior to investing; neither prospectuses nor financial statements were provided to investors.

Based upon the above Findings of Fact and Conclusions of Law it is hereby ORDERED That William Brotherton and International Business Consortium, their agents and employees cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140 and RCW 21.20.040, the sections of the Securities Act of Washington requiring registration.

It is further ORDERED that respondents, their agents, and employees cease and desist from violation of RCW 21.20.010, the anti-fraud section of the Securities Act.

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

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

DATED this 3rd day of October, 2001.



DEBORAH R. BORTNER  
Securities Administrator

Approved By:

Presented By:

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Michael E. Stevenson  
Chief of Enforcement

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Suzanne E. Sarason  
Senior Enforcement Attorney

ENTRY OF FINDINGS OF FACT AND  
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ORDER CEASE AND DESIST