

1 **TENTATIVE FINDINGS OF FACT**

2 **I. Respondents**

3 1. Lane Funding Association, an Oregon corporation, has principal business addresses of PO Box 800,
4 Lebanon, Oregon and 38591 Mountain Home Drive, Lebanon, Oregon.

5 2. Bobi Lane is a principal in Lane Funding Association.

6 3. Robert Foust is a principal in Lane Funding Association.

7 **II. Offering**

8 4. At least two Washington residents, while attending a multilevel marketing convention in Portland,
9 Oregon in 1998, learned of an investment opportunity in Lane Funding. As a result, the two Washington residents
10 contacted Lane Funding regarding the investment opportunity. The investors were told that the investment consisted of
11 lending money to Lane Funding, who would in turn invest the funds in offshore banknotes and debentures.

12 5. The entire documentation required for the investment opportunity consisted of a "Private Loan
13 Contract". According to the contract, the minimum investment was \$100 and the term on the loan was six months, with
14 the entire principal and interest to be paid within eight months of making the investment. Additionally, the offering
15 material stated that the interest rate was variable and averaging ten percent per month.

16 6. In November of 1998 the investors traveled to Oregon and invested over \$55,000 in Lane Funding.

17 7. From at least November of 1999 to April of 2001 the investors received periodic account statements
18 regarding their investments in Lane Funding. These statements were sent to the investors Washington address. On an
19 account statement dated January 15, 2000 one of the investors, based on a \$24,000 investment made in Lane Funding in
20 late 1998 and early 1999, purportedly had an account balance of over \$63,000.

21 8. During this same time period the investors received multiple "loan repayments" via cashiers checks
22 mailed to their Washington address. Based, in part, on these loan repayments and the account statements that the
23 investors received, both investors decided to make additional investments in Lane Funding totaling over \$50,000. A
24 portion of these additional investments were mailed to Lane Funding from Washington.

1 **CONCLUSIONS OF LAW**

2 I. Securities

3 15. The offer and/or sale of the investment opportunities described above constitutes the offer and/or sale of
4 a security as defined in RCW 21.20.005 (10) and (12).

5 II. Anti-Fraud Provision

6 16. The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, as set forth in
7 section II of the Tentative Findings of Fact, Respondents omitted to state material facts necessary in order to make the
8 statements made, in the light of the circumstances under which they were made, not misleading.

9 III. Registration of Securities

10 17. The offer and/or sale of said securities is in violation of RCW 21.20.140, the registration section of the
11 Securities Act, because no registration for such offer and/or sale is on file with the Securities Administrator of the state of
12 Washington.

13 IV. Registration of Broker-Dealer and Salespersons

14 18. Respondents Bobi Lane and Robert Foust have each violated RCW 21.20.040 by offering and/or selling
15 said securities while not being registered as a broker-dealer or securities salesperson in the state of Washington

16 **EMERGENCY**

17 The Securities Administration finds that an emergency exists and that the continued violations of RCW
18 21.20.010, RCW 21.20.140, and RCW 21.20.040, constitute a threat to the investing public. Accordingly, a Summary
19 Order to Cease and Desist from those violations is in the public interest and necessary for the protection of the investing
20 public.

21 **SUMMARY ORDER**

22 Based upon the foregoing, IT IS THEREFORE HEREBY SUMMARILY ORDERED that Respondents, Lane
23 Funding Association, Bobi Lane, Robert Foust, their agents, and employees shall each cease and desist from violating
24 RCW 21.20.010, the anti-fraud section of the Securities Act.

1 It is further SUMMARILY ORDERED that Respondent, Lane Funding Association, their agents, and
2 employees shall each cease and desist from violating RCW 21.20.140, the securities registration section of the Securities
3 Act.

4 It is further SUMMARILY ORDERED that Respondents, Bobi Lane and Robert Foust, their agents, and
5 employees shall each cease and desist from violating RCW 21.20.040, the securities broker-dealer, securities salesperson
6 registration section of the Securities Act.

7 **AUTHORITY AND PROCEDURE**

8 This Order is entered pursuant to the provisions of RCW 21.20.390, and is subject to the provisions of Chapter
9 34.05 RCW. The Respondents, Lane Funding Association, Bobi Lane and Robert Foust, may each make a written
10 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
11 HEARING accompanying this Order. A request for a hearing should be in writing and sent to Deborah R. Bortner,
12 Securities Administrator, Department of Financial Institutions, P.O. Box 9033, Olympia, Washington 98507-9033 to the
13 attention of Tyler Letey.

14 If a respondent does not request a hearing, the Securities Administrator intends to adopt the above Tentative
15 Findings of Fact and Conclusions of Law as final and make the Summary Order to Cease and Desist permanent as to the
16 Respondent.

17 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

18 DATED this 13th day of March, 2002

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20 DEBORAH R. BORTNER
21 Securities Administrator

22 Approved by:

23 Presented by:

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26 SUMMARY ORDER TO CEASE AND
27 DESIST

Michael E. Stevenson
Chief of Enforcement

Tyler Letey
Staff Attorney

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SUMMARY ORDER TO CEASE AND
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