

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)
)
INTERNATIONAL FINANCE & TRUST LLC)
JULIE HOLDEN)
BRYAN SMITH)
KURT HAMILTON)
MAINSAIL BUSINESS CONSULTANTS INC)
HOWARD LEE MCCAULEY)
DARRELL GRESHAM)
)
RESPONDENTS)

**ADMINISTRATIVE ORDER
NO. CD-2011-0004**

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. **INTERNATIONAL FINANCE & TRUST, LLC ("IFT")** is a New Zealand Limited Company registered as a foreign corporation in the state of Florida, having a commercial address of 15239 Tropicbird Court, Ft. Myers, Florida 33908.

2. **JULIE KAYE HOLDEN ("HOLDEN")**, a resident of 1207 West 650 South Lehi, Utah, 84043, at all times relevant, acted as the managing member of IFT, with a business address of 15239 Tropicbird Court, Ft. Myers, Florida 33908.

3. **BRYAN SMITH ("SMITH")**, at all times relevant, acted as Director/Manager of IFT, with a business address of 15239 Tropicbird Court, Ft. Myers, Florida 33908.

4. **KURT HAMILTON (“HAMILTON”)**, at all times relevant, acted as a managing member of IFT, with a business address of 15239 Tropicbird Court, Ft. Myers, Florida 33908.

5. **MAINSAIL BUSINESS CONSULTANTS, INC. (“MBC”)**, is a Florida corporation having a commercial address of 1802 North Belcher Road Suite 120, Clearwater, Florida 33765.

6. **DARREL R. GRESHAM (“GRESHAM”)**, at all times relevant, acted as the President of MBC, with a business address of 1802 North Belcher Road, Suite 120, Clearwater, Florida 33765.

7. **HOWARD LEE MCCAULEY (“MCCAULEY”)**, at all times relevant, acted an independent consultant representing MBC, having a business address of 1802 North Belcher Road, Suite 120, Clearwater, Florida 33765.

STATEMENT OF FACTS

8. An online search of the Florida Department of State, Division of Corporations, revealed that on May 20, 2009, **HAMILTON, HOLDEN** and **SMITH** registered **IFT** in Florida as a foreign Limited Liability Company. **MBC** was incorporated in the state of Florida by **GRESHAM** on July 25, 2007.

9. The Commission is in receipt of information that on May 20, 2009, **IFT** entered into an “Agent Agreement” with **MBC** to “*identify and introduce individuals and corporations wanting offshore financial planning opportunities, private placement investments and project funding to IFT.*” Accordingly, **MBC** was to be compensated at the rate of 10% of the profits returned through **IFT** which have utilized assets presented to and through **MBC**.

10. On June 18, 2009, an Alabama investor entered into a mutual non-disclosure and non-circumvention agreement with **MBC**.

11. Through the assistance of the independent consultant, **MCCAULEY**, on or about August 21, 2009, the same Alabama investor entered into a "*Joint Shared Profit Agreement*" with **MBC** for all proceeds generated through **IFT**. The Alabama investor was to pay 20% of the **IFT** profits to **MBC** resulting from this agreement. The agreement was signed by **MBC** President, **GRESHAM**.

12. On August 21, 2009, the Alabama investor entered into a thirteen (13) month Joint Venture Agreement, i.e., investment contract, issued by **RESPONDENTS - IFT (HAMILTON, HOLDEN and SMITH)** and signed by **SMITH** as the Director Manager of **IFT**. According to the terms of the venture, the Alabama investor was to provide funding in a private placement program which would be managed by **IFT**. The funds were to remain within a limited trust account managed by **IFT** as the only signatory. Upon completion of the Joint Venture program, the investor was to be paid 50% of the net profits earned from the Joint Venture, with **IFT** earning the remaining 50% profit.

13. As per the Joint Venture Agreement on August 28, 2009, the Alabama resident wire transferred \$50,000.00 to a limited trust account in the name of **IFT**.

14. In a telephonic statement made to the Commission staff on September 13, 2010, **HOLDEN** stated that she was the sole remaining employee of **IFT** and had removed **HAMILTON** and **SMITH** from the corporation due to truthfulness issues. **HOLDEN** advised the Commission staff that **HAMILTON** had removed investor funds from the **IFT** trust account and utilized the funds for personal use.

15. Additionally, during her statement to the Commission, **HOLDEN** stated the Alabama investor had no managerial input in the alleged joint venture agreement and the Alabama investor's only responsibility was to provide capital to the venture. The **IFT** invested funds, including the Alabama investor's funds, were placed in various opportunities including a private placement platform with Assured Capital Consultants, LLC.

16. According to the Florida Department of State Corporations, Assured Capital Consultants, LLC ("**ACC**") with a business address of 13148 Summerlake Way, Clermont,

Florida, is a Florida limited liability company established in 2008 by John Boschert and Jenifer Hoffman.

17. Evidence obtained by the Commission disclosed that the pooled funds acquired by **IFT** were not held in the **IFT** trust account as indicated on the Joint Venture Agreement. The funds were either issued to Assured Capital Consultants, other unknown investments, or utilized by **HAMILTON, HOLDEN** and **SMITH** for personal means.

18. Documents obtained by the Commission indicated that **HOLDEN**, while employed with **IFT**, removed investor funds from the **IFT** trust account and utilized said funds for personal means.

19. A review of the Commission files conducted on December 3, 2010, revealed the **RESPONDENTS** were neither registered nor exempt from registration to offer and sell securities in Alabama.

20. A review of the Commission's files, performed on December 3, 2010, disclosed no record of registration or any perfected exemption from registration for the investment contract, to wit: Joint Venture Agreement, offered to the Alabama resident.

CONCLUSIONS OF LAW

21. The Joint Venture Agreement offered by **HAMILTON, HOLDEN** and **SMITH** with **IFT** represents an investment contract. Alabama's statutory definition of security pursuant to Section 8-6-2(10), Code of Alabama 1975, includes any investment contract. The offer made by the **RESPONDENTS** in paragraph 12 falls within the definition of an investment contract and is therefore a security under the Act.

22. Alabama statutory definition of a security pursuant to Section 8-6-2(10), Code of Alabama 1975, includes any Profit Sharing Agreement. The Private Placement Participation Agreement, i.e. "Joint Shared Profit Sharing Agreement" offered by **GRESHAM, MCCAULEY** and **MBC** in paragraph 11, falls within the definition of a profit sharing agreement and is therefore a security under the Act.

23. The definition of agent under Section 8-6-2(2), Code of Alabama 1975, includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. **SMITH, HAMILTON** and **HOLDEN** represented **IFT** effecting transactions in securities in Alabama and are Agents under the Act.

24. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the act. **SMITH, HAMILTON** and **HOLDEN** acted as agents of **IFT** and transacted business in Alabama without benefit of registration in violation of Section 8-6-3(a) of the Act.

25. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the act. As evidenced by the signed Agent Agreement, **MBC RESPONDENTS, GRESHAM** and **MCCAULEY** acted as Agents for **IFT** while said agents were not properly registered with the Commission in violation of the Act.

26. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. **IFT** employed **SMITH, HAMILTON** and **HOLDEN** as agents, while said agents were not properly registered with the Commission in violation of the Act.

27. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer or sell any security in this state unless it is registered under the Act, the security is exempt from registration pursuant to Section 8-6-10, or the transaction is exempt under Section 8-6-11. The security issued by **IFT** and offered by **HAMILTON, HOLDEN** and **SMITH** to the Alabama resident, to wit: Joint Venture Agreement constituting an Investment Contract and was neither registered nor exempt from registration in violation of the Act.

28. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer or sell any security in this state unless it is registered under the Act, the security is exempt from registration pursuant to Section 8-6-10, or the transaction is exempt under Section 8-6-11. The security issued by **MBC** and offered by **GRESHAM** and **MCCAULEY** to the Alabama resident, to wit: "Joint Shared Profit Sharing Agreement" constituting a Profit

Sharing Agreement and was neither registered nor exempt from registration in violation of the Act.

29. Pursuant to Section 8-6-17(a)(2), Code of Alabama 1975, it is unlawful for a person to make any untrue statement of material fact in connection with the offer, sale or purchase of a security. Paragraph 3 of the Joint Venture Agreement issued by **RESPONDENTS / IFT** contained a material misrepresentation, to wit: “. . . *any and all funds arising out of or related to the transaction contemplated by this agreement will be held for the benefit of the entities in the IFT limited trust account listed in section 15 of this Joint Venture Agreement account,*” in violation of the Act.

This Order does not prevent the Alabama Securities Commission from seeking such other administrative, civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the respondents, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, inter alia, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that the **RESPONDENTS** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 1ST day of FEBRUARY, 2011.



ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
Montgomery, AL 36104
(334) 242-2984

BY:



Joseph P. Borg
Director