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3 **STATE OF OREGON**  
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**  
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**  
6 **ENFORCEMENT SECTION**

7 **BEFORE THE DIRECTOR OF THE DEPARTMENT**  
8 **OF CONSUMER AND BUSINESS SERVICES**

9 **In the Matter of:**

**S-03-0048**

10 **ULTIMATE VENTURES, INC., a**  
11 **Canadian corporation, CAMERON**  
12 **KUIPERS, an individual,**  
13 **ASSURANCE FINANCIAL, INC., an**  
14 **Idaho corporation, and K. BARTH**  
15 **WILLIAMS, an individual,**

**ORDER TO CEASE AND DESIST,**  
**ORDER ASSESSING CIVIL**  
**PENALTY AND CONSENT TO**  
**ENTRY OF ORDER AS TO**  
**ASSURANCE FINANCIAL, INC.**  
**AND K. BARTH WILLIAMS**

16 **Respondents.**

17 **WHEREAS**, the Director of the Department of Consumer and Business Services  
18 (the "Director") has conducted an investigation of certain business activities conducted  
19 by Assurance Financial, Inc. ("AFI") and K. Barth Williams ("Williams") and has  
20 determined that they offered and sold securities in violation of the Oregon Securities  
21 Laws; and

22 **WHEREAS**, AFI and Williams wish to resolve and settle this matter with the  
23 Director;

24 **NOW, THEREFORE**, as evidenced by the authorized signatures subscribed on  
25 this Order, AFI and Williams hereby **CONSENT** to entry of this Order to Cease and  
26 Desist upon the Findings of Fact and Conclusions of Law of the Director as stated  
hereinafter.

**FINDINGS OF FACT**

1. In October 1999, a company known as 593568 B.C. Ltd. was incorporated





1 in British Columbia, Canada. In March 2000, that company was renamed through the  
2 Registrar of Companies for the Province of British Columbia, Canada, as Ultimate  
3 Ventures, Inc. ("UVI"). UVI, by information and belief, engages in the business of  
4 purchasing beneficiary rights in life insurance policies. UVI conducts business from  
5 offices located at 475 Groves Avenue, Suite 201, Kelowna, British Columbia, Canada  
6 V1Y 4Y6. UVI has never been registered with the Director to offer or sell securities in or  
7 from Oregon.

8       2. Cameron Kuipers ("Kuipers") is a resident of Kelowna, British Columbia.  
9 At all times relevant to this Order, Kuipers served as president and a director of UVI.  
10 Kuipers' last known residential address is 750 Varney Court, Kelowna, British Columbia,  
11 Canada V1W 3Z2. Kuipers has never been registered with the Director to offer or sell  
12 securities in or from Oregon.

13       3. Assurance Financial, Inc. is an Idaho business corporation formed on  
14 December 18, 2001. AFI has its principal place of business located at 5680 East  
15 Franklin Road, Suite 225, Nampa, Idaho 83687. AFI has never been registered with the  
16 Director to offer or sell securities in or from Oregon.

17       4. K. Barth Williams, an individual, is a resident of Idaho. At all times  
18 relevant hereto, Williams was president, secretary and treasurer of AFI. Williams' last  
19 known business address is 5680 East Franklin Road, Suite 225, Nampa, Idaho 83687.  
20 Williams has never been registered with the Director to offer or sell securities in or from  
21 Oregon.

22       5. During the period April 2002 through March 2003, Respondents offered  
23 and sold shares of UVI preferred stock to Oregon residents. Respondents told  
24 investors or prospective investors that they could purchase UVI preferred stock either  
25 through a cash investment or through an exchange of existing insurance benefits.  
26 Respondents also told investors or prospective investors that shares in UVI preferred



1 stock would pay an investment dividend of between 14 and 16 percent.

2 6. UVI provided Williams and AFI with a Canadian Private Placement  
3 Subscription Agreement for use in enrolling investors in the United States to purchase  
4 UVI preferred stock. The Private Placement Subscription Agreement specifically  
5 provided and contemplated that the stock purchaser would not be a resident of the  
6 United States; Williams used the Canadian Private Placement Subscription Agreement  
7 with the knowledge of UVI.

8 7. On or about December 9, 2002, Williams sold shares of UVI preferred  
9 stock to Larry and Susan Dawson of Prineville, Oregon, in exchange for the Dawsons'  
10 agreement to assign to UVI interests in life insurance policies to be acquired in the  
11 Dawsons' IRAs. The policy interests to be acquired were valued at \$6000 by UVI for  
12 purposes of determining the number of shares of UVI preferred stock to be issued to the  
13 Dawsons. Williams and AFI received no commission for the sale. The policy interests  
14 were never purchased by the IRAs and the "swap" of insurance policy interests for UVI  
15 stock was never completed. In accordance with a Court Order entered April 28, 2005 in  
16 *State of Idaho, Department of Finance, Securities Bureau v. Ultimate Ventures, Inc. and*  
17 *Cameron Kuipers*, filed in the District Court of the Fourth Judicial District of the State of  
18 Idaho, in and for the County of Ada (Case No. CVOC 0309967D) ("Judgment"), the  
19 contract between the Dawsons and UVI is void and unenforceable. The Dawsons  
20 therefore sustained no damages as a result of the UVI transaction.

21 8. In January and March 2003, Williams sold shares of UVI preferred stock to  
22 Robert and Bonnie Gerig of Lebanon, Oregon. The five sales transactions included a  
23 cash transaction for \$25,000 and the Gerigs' assignment to UVI of interests in certain  
24 insurance policies held in the Gerigs' IRAs. UVI valued these policies at \$59,842.80 for  
25 purposes of determining the number of shares of UVI preferred stock to be issued to the  
26 Gerigs. The cash sale was made on the condition that the cash would be returned



1 within 30 days of the request by the investors. Williams was paid a commission of  
2 \$2,500 for the cash sale. The "swap" of insurance policy interests for UVI stock was  
3 never completed. In accordance with the Idaho Judgment, the "swap" contracts  
4 between the Gerigs and UVI are void and unenforceable. The Gerigs continue to hold  
5 the insurance policy interests in their IRAs and therefore sustained no damages as a  
6 result of the policy swap transactions with UVI.

7 9. In February and March 2003, Williams sold shares of UVI preferred stock  
8 to Neal and Connie Anderson of Bend, Oregon. The three sales transactions included a  
9 cash transaction for \$25,000 and the Andersons' agreement to assign to UVI interests  
10 in life insurance policies to be acquired in the Gerigs' IRAs. The policy interests to be  
11 acquired in the IRAs were valued at \$9118.95 by UVI for purposes of determining the  
12 number of shares of UVI preferred stock to be issued to the Andersons. For the cash  
13 sale, Williams and AFI were paid commissions totaling \$2,500. The policy interests  
14 were never purchased by the IRAs and the "swap" of insurance policy interests for UVI  
15 stock was never completed. In accordance with the Idaho Judgment, the "swap"  
16 contract between the Andersons and UVI is void and unenforceable. The Andersons  
17 therefore sustained no damages as a result of the policy swap transactions with UVI.  
18 The cash sale was made on the condition that the cash would be returned within 30  
19 days of the request by the investors. On June 30, 2003, the Andersons requested that  
20 UVI return their \$25,000 cash investment principal. To date, that request has not been  
21 honored.

22 10. On or about March 1, 2003, Williams sold shares of UVI preferred stock to  
23 Lori Gerig of Corvallis, Oregon for \$1,000. The sale was made on the condition that the  
24 principal would be returned within 30 days of the request by the investor. Williams and  
25 AFI were paid a commission of \$100 on the sale.

26 11. On or about March 10, 2003, Williams sold shares of UVI preferred stock



1 to Fern Gerig of Lebanon, Oregon for \$25,000. The sale was made on the condition  
2 that the principal would be returned within 30 days of the request by the investor. AFI  
3 and Williams were paid a commission of \$2,500 on the sale.

4 12. In late 2002 or early 2003, Williams and AFI offered to sell UVI preferred  
5 stock to Ed Miller of Medford, Oregon. Miller did not purchase any of the stock.

6 13. The UVI preferred stock offering sold to Oregon residents by Respondents  
7 was not registered for sale in Oregon.

8 14. The Private Placement Subscription Agreement used by Williams and  
9 Kuipers contained material misrepresentations and omissions about UVI and the sale of  
10 the UVI securities, including but not limited to:

11 a. Failing to disclose to offerees and/or investors that the UVI preferred stock  
12 offering was not registered as a security for sale in Oregon;

13 b. Failing to disclose to offerees and/or investors that UVI, Kuipers, AFI or  
14 Williams were not registered with the Director as broker dealers, issuers or  
15 salespersons as required by the Oregon Securities Law, or that they were acting as  
16 broker dealers or issuers and employing salespersons who were not properly registered  
17 under the Law;

18 c. Failing to disclose to offerees and/or investors the financial condition of  
19 UVI, including specifically that UVI had a short operating history and a history of  
20 significant operating losses;

21 d. Failing to disclose to offerees and/or investors the amounts and types of  
22 compensation that would be paid to Williams for the offer or sale of preferred shares in  
23 UVI;

24 e. Failing to disclose to offerees and/or investors that Kuipers had been a  
25 defendant in at least five civil actions in Canada, and that at least three money  
26 judgments had been entered against Kuipers in such actions;



1 f. Failing to disclose to offerees and/or investors that during 1999, Kuipers  
2 had represented to the British Columbia Supreme Court that he was indigent;

3 g. Failing to disclose to offerees and/or investors the business history of  
4 Kuipers, including the fact that he owned or controlled, or had formerly owned or  
5 controlled, various companies that conducted financial transactions with UVI;

6 h. Failing to disclose to offerees and/or investors who exchanged insurance  
7 related instruments for preferred stock to UVI that the valuation placed in such  
8 instruments by Respondents was arbitrary, inconsistent as to other investors, and not  
9 derived through the application of any consistent formula;

10 i. Failing to disclose to offerees and/or investors that a portion of the  
11 proceeds of an investment in UVI would be used to fund loans to Kuipers, Williams, or  
12 companies controlled by one or both of these individuals;

13 j. Failing to disclose to offerees and/or investors that assets purchased with  
14 investor funds would not be placed in a trust account as had been represented by  
15 Respondents; and

16 k. Failing to inform offerees and/or investors of the significant risks  
17 associated with an investment in UVI preferred stock.

## 18 CONCLUSIONS OF LAW

19 The Director **CONCLUDES** that:

20 15. The UVI preferred stock offered and sold in Oregon by Respondents UVI,  
21 Kuipers, AFI and Williams is a security as defined in the Oregon Securities Law, ORS  
22 59.015(19).

23 16. Respondents UVI, Kuipers, AFI and Williams offered and/or sold  
24 unregistered securities in Oregon in violation of ORS 59.055.

25 17. Respondents Kuipers and Williams transacted business in Oregon as  
26 securities salespersons without holding the proper securities licenses as required by

1 ORS 59.165.

2 18. Respondents UVI, Kuipers, AFI and Williams made material  
3 misrepresentations and omissions in connection with the sale of securities in Oregon in  
4 violation of ORS 59.135(2).

5 **ORDER TO CEASE AND DESIST**

6 19. The Director, pursuant to ORS 59.245, hereby **ORDERS** that  
7 Respondents AFI and Williams shall **CEASE AND DESIST** from:

8 a. Offering or selling securities in the State of Oregon without a license in  
9 violation of the Oregon Securities Law;

10 b. Offering or selling unregistered securities in the State of Oregon in  
11 violation of the Oregon Securities Law; and

12 c. Violating any provision of the Oregon Securities Law, including ORS  
13 Chapter 59 and Oregon Administrative Rules ("OAR") Chapter 441.

14 **ORDER ASSESSING CIVIL PENALTIES**

15 The Director, pursuant to ORS 59.995, hereby **ORDERS** assessment of the  
16 following **CIVIL PENALTIES**:

17 20. Respondents AFI and Williams, and any successor business entity or any  
18 business entity owned, operated or controlled by Williams, shall be denied the use of  
19 any securities licensing or registration exemptions contained in the Oregon Securities  
20 Law, ORS Chapter 59 and OAR Chapter 441.

21 21. Respondents are held jointly and severally liable for the violations  
22 described above and shall pay a monetary penalty calculated as follows:

23 a. \$5,000 (Five Thousand Dollars) each for six violations of ORS 59.055;

24 b. \$5,000 (Five Thousand Dollars) each for six violations of ORS 59.165; and

25 c. \$5,000 (Five Thousand Dollars) each for six violations of ORS 59.135 for  
26 a total civil penalty assessed of \$90,000 (Ninety Thousand Dollars).

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1           22.    The Director **SUSPENDS** the payment of the civil penalty assessed in  
2 Paragraph 21 above against Respondents AFI and Williams so long as they are in full  
3 compliance with all of the terms of this Order.

4           23.    Respondents AFI and Williams agree to be liable for restitution in the  
5 amount of \$75,000 to Oregon residents who purchased UVI preferred stock for cash.

6           24.    The amount of Respondents AFI and Williams' aggregate liability for  
7 restitution to Oregon investors shall be reduced:

8           a.    By the amount of restitution, if any, collected by the Director or by the  
9 State of Idaho, Department of Finance, Securities Bureau ("Idaho Department") from  
10 UVI and/or Kuipers or any affiliate thereof, whether by way of settlement or judgment, in  
11 connection with any enforcement action by the Director or the Idaho Department,  
12 including without limitation, summary judgment entered against Kuipers and UVI in favor  
13 of the Idaho Department in Case No. CV OC 0309967D filed in District Court for the  
14 Fourth Judicial District of the State of Idaho; and

15           b.    To the extent that Oregon investors in UVI preferred stock waive their  
16 respective right to recovery from Respondents AFI and Williams in exchange for such  
17 consideration as may hereafter be agreed upon by such investors and the  
18 Respondents; provided, however, that:

19           (i)   Any offer of waiver, settlement or other consideration by Respondents AFI  
20 and Williams to any Oregon investor in settlement or resolution of the investor's claims  
21 against Respondent AFI and/or Williams shall be made in writing. The writing shall  
22 include a cover letter that contains the following provision:

23                   "The Director of the State of Oregon Department of  
24 Consumer and Business Services has concluded that the offer and  
25 sale of stock in Ultimate Ventures, Inc. to Oregon residents by  
26 Assurance Financial, Inc. and K. Barth Williams, during the period  
April 2002 through March 2003, was in violation of the Oregon  
Securities Law, ORS Chapter 59. The offer of restitution or  
consideration made by AFI and Mr. Williams as contained herein



1 has not been approved or sanctioned by the Director. As an  
2 Oregon investor, you are strongly advised to consult with an  
3 independent legal or investment professional to satisfy yourself that  
4 the restitution or consideration offered by AFI and Mr. Williams is  
5 adequate and suitable.”

6 (ii) Such waiver, settlement or other consideration shall not be effective  
7 unless and until Respondents have given the Director thirty (30) days' prior written  
8 notice of any agreement and the investor has not withdrawn the agreement prior to the  
9 end of the thirty day period; and

10 (iii) Respondents AFI and Williams shall obtain written representation from the  
11 investor that the investor has been advised pursuant to Paragraph 24(b)(i) above to  
12 consult with an independent legal or investment professional and has satisfied himself  
13 or herself that the consideration obtained from Respondents AFI and Williams is  
14 adequate and suitable to the investor.

15 25. Respondents AFI and Williams agree that the restitution to Oregon  
16 investors agreed to under this Order will be paid no later than ten years from the date of  
17 this Order.

18 26. This Order shall not impair or otherwise adversely affect Respondents AFI  
19 and Williams' right to contribution from UVI, Kuipers and/or other persons or entities that  
20 may be jointly and severally liable for violations of the Oregon Securities Law.

21 27. Respondents AFI and Williams agree to cooperate with the Director or any  
22 other regulatory or law enforcement authorities in connection with any existing or other  
23 proceedings against UVI or Kuipers that arise from the activities underlying this Order.

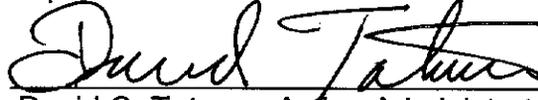
24 28. Respondents AFI and Williams and the Director acknowledge and agree  
25 that the terms of this Order may be modified or suspended if the Director and the  
26 Respondents enter into a global agreement with UVI and Kuipers to settle all claims  
among them.

29. The entry of this Order in no way limits further remedies which may be

1 available to the Director under Oregon law.

2 Dated this 1<sup>st</sup> day of May, 2006, at Salem, Oregon.

3 CORY STREISINGER, Director  
4 Department of Consumer and Business Services

5 

6 David C. Tatman, Acting Administrator  
7 Division of Finance and Corporate Securities

8 APPROVED AS TO FORM:

9  
10 \_\_\_\_\_ Dated: \_\_\_\_\_  
11 Attorney for Respondents

12 **CORPORATE CONSENT TO ENTRY OF ORDER**  
13 (for Assurance Financial, Inc.)

14 I, K. Barth Williams, state that I am an officer of Assurance Financial, Inc. and I  
15 am authorized to act on its behalf; that I have read the foregoing Order and that I know  
16 and fully understand the contents hereof; that neither UVI nor I make any admission of  
17 liability with respect to the Findings of Fact in the foregoing Order; that I and this entity  
18 have been advised of the right to a hearing and of the right to be represented by  
19 counsel in this matter; that Assurance Financial, Inc., voluntarily and without any force  
20 or duress, consents to the entry of this Order, expressly waiving any right to a hearing in  
21 this matter; that Assurance Financial, Inc. executes this Consent as a settlement of the  
22 matters referred to in the foregoing Order; that Assurance Financial, Inc. understands  
23 that the Director reserves the right to take further actions to enforce this Order or to take  
24 appropriate action upon discovery of other violations of the Oregon Securities Law; and  
25 that Assurance Financial, Inc. will fully comply with the terms and conditions stated  
26 herein. Assurance Financial, Inc. further assures the Director that neither Assurance  
Financial, Inc. nor its officers, directors, employees or agents will effect securities  
transactions in Oregon unless such activities are in full compliance with Chapter 59 of  
the Oregon Revised Statutes.

Division of Finance and Corporate Securities  
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350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 Assurance Financial, Inc. understands that this Consent Order is a public  
2 document.

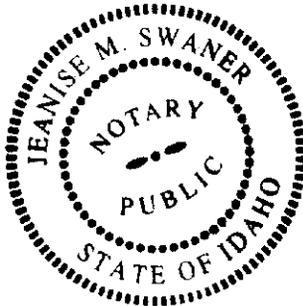
3 Dated this 5<sup>th</sup> day of April, 2006.

4 By: [Signature]  
5 K. Barth Williams

6 Office Held: President

7  
8 **CORPORATE ACKNOWLEDGMENT**

9 There appeared before me this 5<sup>th</sup> day of April, 2006, K. Barth  
10 Williams, who was first duly sworn on oath, and stated that he was and is an officer of  
11 Assurance Financial, Inc., and that he is authorized and empowered to sign this  
12 Consent to Entry of Order on behalf of Assurance Financial, Inc., and to bind Assurance  
13 Financial, Inc. to the terms hereof.



14 [Signature]  
15 Notary Public for Idaho

16 My commission expires: MARCH 11, 2011

17  
18 **CONSENT TO ENTRY OF ORDER**  
(for K. Barth Williams individually)

19 I, K. Barth Williams, state that I am a resident of the State of Idaho, that I have  
20 read the foregoing Order and that I know and fully understand the contents hereof; that I  
21 make no admission of liability with respect to the Findings of Fact in the foregoing  
22 Order; that I execute this Consent as a settlement of the matter referred to in the Order;  
23 that I have been advised of my right to a hearing, and that I have been advised of my  
24 right to be represented by counsel in this matter; that I voluntarily consent to the entry of  
25 this Order without any force or duress, expressly waiving any right to a hearing in this  
26 matter; that I understand that the Director reserves the right to take further actions  
against me to enforce this Order or to take appropriate action upon discovery of other

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1 violations of the Oregon Securities Law by me; and that I will fully comply with the terms  
2 and conditions stated herein.

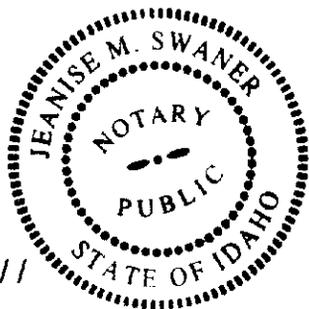
3 I further assure the Director that I will not engage in the activities of a securities  
4 broker dealer, investment adviser, or mortgage broker, or act as a salesperson for any  
5 of these unless such activities are in full compliance with Chapter 59 of the Oregon  
6 Revised Statutes.

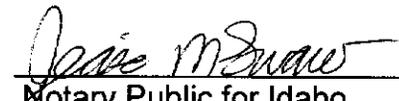
7 I understand that this Consent Order is a public document.

8 Dated this 5<sup>th</sup> day of April, 2006.

9  
10   
K. Barth Williams

11 SUBSCRIBED AND SWORN before me this 5<sup>th</sup> day of April, 2006.



12  
13   
14 Notary Public for Idaho

15 My commission expires: March 11, 2011

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