

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING) Order Number S-06-173-06-SC01
5 whether there has been a violation of the)
6 Securities Act of Washington by:) STATEMENT OF CHARGES AND NOTICE
7) OF INTENT TO ENTER ORDER TO CEASE
8) AND DESIST AND TO IMPOSE FINES
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Great Plains Financial, LLC; Mark Blakemore; Respondents)

THE STATE OF WASHINGTON TO: Great Plains Financial, LLC
Mark Blakemore

10 **STATEMENT OF CHARGES**

11 Please take notice that the Securities Administrator of the State of Washington has reason
12 to believe that Respondents, Great Plains Financial, LLC and Mark Blakemore, have each
13 violated the Securities Act of Washington and that their violations justify the entry of an order of
14 the Securities Administrator under RCW 21.20.390 against each to cease and desist from such
15 violations and to impose fines. The Securities Administrator finds as follows:
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18 **TENTATIVE FINDINGS OF FACT**

19 *Respondents*

20 1. Great Plains Financial, LLC (“Great Plains”) is a Nevada Limited Liability
21 Company formed in February 2005. The Washington Secretary of State has no record that Great
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STATEMENT OF CHARGES AND NOTICE OF
INTENT TO ENTER ORDER TO CEASE AND DESIST
AND TO IMPOSE FINES

1 Plains has applied for a certificate of authority to do business in Washington as a foreign entity.
2 Great Plains' principal place of business was at 1811 Maccullen Drive, Erie, Colorado.

3 2. Mark Blakemore ("Blakemore") was the President of Great Plains. Blakemore
4 resides in Colorado.

5 *Background*

6 3. From February 2005 to February 2006, Blakemore solicited approximately 38
7 investors nationwide to invest in a debenture paying 4% per month offered by Great Plains. In
8 total, Blakemore raised at least \$3.2 million dollars.

9 4. Blakemore told investors that their funds would be deposited in a major bank and
10 held there while being used to leverage trading activities by the bank. Blakemore failed to
11 identify the bank in which the funds would be deposited.

12 5. From February 2005 to August 2, 2005, Blakemore forwarded all investment
13 funds to a company called Konza Financial, which was controlled by Michael Conley
14 ("Conley"). Blakemore did not tell investors about Konza Financial or Mike Conley.

15 6. In or about March 2006, Conley pled guilty to mail fraud in connection with a \$12
16 million ponzi scheme involving his company, Konza Financial. In doing so Conley admitted that
17 he had no such relationship with a bank. Conely had represented to investors that he had a
18 confidential trading relationship with a major United States bank that was ranked in the 25 banks
19 worldwide and that Konza Financial invested funds at a high rate of return each month and in
20 turn would pay investors 5% per month.

21 7. From August 30, 2005 to February 2006, all investor money received by
22 Blakemore was kept by Blakemore for personal use.

1 8. In or about September 2006, Blakemore was charged with securities fraud and
2 theft in Colorado in connection with his sales of debentures to Colorado residents.

3 *Description of the Conduct*

4 9. In September 2005 a married couple residing Whatcom county (“Investors A &
5 B”) was referred to Blakemore by a friend. Investors A & B corresponded with Blakemore
6 several times while they were in Washington State. Blakemore offered Investors A & B a
7 \$25,000 debenture issued by Great Plains. Throughout this period Blakemore resided in and
8 conducted business from Colorado.

9 10. Blakemore told Investors A & B that the investor would receive monthly interest
10 payments and at the end of the nine months the principal would be returned.

11 11. Blakemore told Investors A & B that the money would be safe because it would
12 be held in an account at a major bank and used to leverage the bank’s trading activities.

13 12. Blakemore provided Investors A & B with a written General Investment
14 Overview, a Debenture Agreement, and a Subscription Agreement and instructed Investors A &
15 B to fill in the information requested on the Subscription Agreement and return it with the
16 investment funds.

17 13. The General Investment Overview stated that Great Plains was involved in a
18 trading program with a top world bank. It further represented that all funds would be entirely
19 secured and would not be at risk. The Debenture Agreement stated that funds would be
20 deposited in a non-depletion account within a major world bank. Investors A & B understood
21 this to mean that the balance in the account would change.

1 personal use of the funds. Respondents misled the investors regarding the safety of the
2 debentures and the nature of the business, including the so-called bank trading program.

3 **REGISTRATION STATUS**

4 1. The debentures are not registered as securities in the State of Washington and
5 have not previously been so registered.

6 2. Mark Blakemore is not registered as a securities salesperson or broker-dealer in
7 the State of Washington and has not previously been so registered.

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

10 **CONCLUSIONS OF LAW**

11 1. The debentures described above are securities as defined in RCW 21.20.005 (12).

12 2. The offer or sale of the debentures described above constitutes the offer or sale of
13 a security as defined in RCW 21.20.005(10) and (12).

14 3. Respondent, Mark Blakemore, acted as a securities salesperson or broker-dealer
15 as defined in RCW 21.20.005(2) and (3).

16 4. Respondent, Mark Blakemore, has violated RCW 21.20.140 by offering or selling
17 an unregistered security.

18 5. Respondent, Mark Blakemore, have violated RCW 21.20.040 by offering and/or
19 selling said security while not being registered as a securities salesperson or broker-dealer in the
20 State of Washington.

21 6. The offer and/or sale of said securities was made in violation of RCW 21.20.010
22 because, as set forth above, Respondents, Great Plains Financial, LLC and Mark Blakemore, in
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1 connection with the offer and sale of a security, made untrue statements of material fact or
2 omitted to state material facts necessary in order to make the statements made, in light of the
3 circumstances under which they were made, not misleading.

4 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

5 Pursuant to RCW 21.20.390 and based on the above Tentative Findings of Fact and
6 Conclusions of Law, the Securities Administrator intends to order that Great Plains Financial,
7 LLC and Mark Blakemore their agents and employees each cease and desist from violations of
8 RCW 21.20.010, RCW 21.20.040, and RCW 21.20.140.

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11 **NOTICE OF INTENT TO IMPOSE FINES**

12 Pursuant to RCW 21.20.395 and based upon the Tentative Findings of Fact and
13 Conclusions of Law, the Securities Administrator intends to order that:

- 14 a. Respondent, Great Plains Financial, LLC, shall be liable for and pay a fine of
15 \$5,000 and
16 b. Respondent, Mark Blakemore, shall be liable for and pay a fine of \$5,000.

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19 **AUTHORITY AND PROCEDURE**

20 This Statement of Charges is entered pursuant to the provisions of RCW 21.20.390, RCW
21 21.20.395, and is subject to the provisions of RCW 34.05. The Respondents, Great Plains
22 Financial, LLC, and Mark Blakemore, may each make a written request for a hearing as set forth

1 in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
2 accompanying this order.

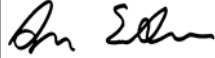
3 If a respondent does not request a hearing, the Securities Administrator intends to adopt
4 the above Tentative Findings of Fact and Conclusions of Law as final and enter a permanent
5 order to cease and desist as to that respondent and impose the fines sought.

6 Dated and Entered this 12th day of March, 2007

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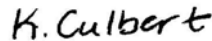
9 MICHAEL E. STEVENSON
10 Securities Administrator

11 Approved by:



12 Suzanne Sarason
13 Chief of Compliance

14 Presented by:



15 Kristen Culbert
16 Financial Legal Examiner