

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

IN THE MATTER OF DETERMINING ) Order No. S-14-1405-14-FO01  
Whether there has been a violation of the )  
Securities Act of Washington by: ) ENTRY OF FINDINGS OF FACT AND  
 ) CONCLUSIONS OF LAW AND FINAL ORDER TO  
Alfred Mark Swanson, ) CEASE AND DESIST, TO IMPOSE FINES, AND TO  
Donald L. Swanson, Sr., ) CHARGE COSTS  
 )  
Respondents. )

**INTRODUCTION**

On May 30, 2014, the Securities Administrator of the state of Washington issued order number S-14-1405-14-SC01, a Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, to Impose Fines, and to Charge Costs (“Statement of Charges”), against Respondents Alfred Mark Swanson, a/k/a Mark Swanson, and Donald L. Swanson, Sr.

The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing (“Notice of Opportunity for Hearing”) and an Application for Adjudicative Hearing, was served on Respondent Alfred Mark Swanson on June 9, 2014, and on Respondent Donald L. Swanson, Sr. on June 5, 2014.

The Notice of Opportunity for Hearing advised each respondent that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. On June 27, 2014, the Securities Division received an Application for Adjudicative Hearing from each respondent in which each respondent waived his right to a hearing. In lieu of a hearing, Respondents Alfred Mark Swanson and Donald L. Swanson, Sr. submitted a written statement for consideration by the Director of the Department of Financial Institutions or the Securities Administrator.

After considering the written statement, the Securities Administrator finds no material grounds for amendment of the Statement of Charges. The Securities Administrator will therefore adopt as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enter a final order against Respondents to cease and desist from violations of the Securities Act, to impose a fine, and to charge costs.

1 The Securities Administrator makes the following Findings of Fact and Conclusions of Law:

2 **FINDINGS OF FACT**

3 Respondents

- 4 1. Alfred Mark Swanson, a/k/a Mark Swanson, (“Mark Swanson”) is a resident of Illinois.  
5 2. Donald L. Swanson, Sr. (“Donald Swanson”) is a resident of Illinois and Mark Swanson’s brother.

6 Related Parties

7 3. Acquisitive, LLC was a Nevada limited liability company that was formed in December 2008.  
8 Nevada revoked the company’s LLC status after Acquisitive, LLC failed to file a list of officers in  
9 December 2011. Donald Swanson was a manager of Acquisitive, LLC. At all times relevant to this  
10 Statement of Charges, Mark Swanson did business as Acquisitive, LLC.

11 4. Dreamwalk Holdings, LLC (“Dreamwalk”) was a Nevada limited liability company that was formed  
12 in April 2012. Nevada revoked the company’s LLC status after Dreamwalk failed to file a list of officers in  
13 May 2012. Mark Swanson was the noncommercial registered agent of Dreamwalk.

14 5. Eric M. Beard (“Beard”) is a resident of Connecticut.

15 Nature of the Offering

16 6. In or around March 2013, Mark and Donald Swanson offered and sold a \$50,000 investment to a  
17 Washington resident. The Swansons told the Washington investor that the investor would receive a return  
18 on her investment within a couple of weeks. At the time of the offer, the Washington investor was non-  
19 accredited, and Mark and Donald Swanson did not have a pre-existing relationship with the investor.

20 7. The Washington investor was introduced to the Swansons and the investment by Beard, who the  
21 Washington investor knew through other business dealings. Beard told the Washington investor that Beard  
22 had done business with Mark and Donald Swanson in the past, and that the Swansons were successful  
23 businessmen. Beard told the Washington investor that the Swansons needed \$75,000 to complete a  
24 transaction that involved the sale of gold from one Philippine trust to another.

25 8. Beard suggested that he and the Washington investor invest together. The Washington investor  
agreed to invest \$50,000, and Beard said he would invest \$25,000. Beard told the Washington investor that  
investing \$75,000 in the transaction would result in a profit of \$1.4 million, which Beard and the  
Washington investor would split. Beard told the Washington investor that the trusts were old and  
established, so the Washington investor could not lose her investment.

1 9. After introducing the investment to the Washington investor, Beaird set up a conference call with  
2 Beaird, the Washington investor, Donald Swanson, and Mark Swanson. On the call, the Swansons told the  
3 Washington investor that Donald Swanson knew people who ran one of the Philippine trusts. Mark Swanson  
4 told the Washington investor that the investor and Beaird would make at least \$1.4 million from the  
5 investment and could make as much as \$2 million. Mark Swanson told the Washington investor that she  
6 would receive her portion of the profit in a couple of weeks. The Washington investor had no expectation of  
control over the administration or management of the gold transaction. Mark Swanson did not provide the  
Washington investor with any written documents regarding the investment.

7 10. On March 8, 2013, per Mark Swanson's instructions, the Washington investor wired \$50,000 from  
8 her retirement account to a bank account in the name of Dreamwalk. On March 20, 2013, Mark Swanson  
9 stated in an email to the Washington investor that she should receive her investment profit by the end of the  
week.

10 11. Mark Swanson continued to provide investment updates to the Washington investor by phone and  
11 email, often relaying information that Donald Swanson purportedly received from his contact person at the  
12 trust. Mark Swanson repeatedly told the Washington investor that the Washington investor should receive  
13 her money within a few days or a week. Mark Swanson gave the Washington investor several reasons for  
14 why the investor had not received a payout from the investment yet, including that military personnel were  
15 brought in to handle the money transfer, a military general called off the money transfer, there were security  
16 issues due to national elections, security concerns related to transferring the money, a typhoon that hit the  
Philippines, and Philippine Independence Day.

17 12. By September 2013, Mark Swanson stopped providing the Washington investor with updates on the  
18 investment. Despite the Washington investor's requests that her money be partially or fully refunded, as of  
19 the date of the Statement of Charges, Mark Swanson has not provided the Washington investor with a  
refund or a return on her investment.

### 20 Misrepresentations and Omissions

21 13. Mark and Donald Swanson failed to provide the Washington investor with material information  
22 regarding the investment, including but not limited to a detailed description of the investment, the names of  
23 the trusts in the Philippines, the financial condition of the trusts, the identity and background of the people  
24 managing the trusts, the total amount of money raised, how the Washington investor's funds would be used,  
whether and how the people facilitating the transaction would be compensated, and the general and specific  
25 risks of investing in a transaction involving the sale of gold from one Philippine trust to another.

14. Mark and Donald Swanson also failed to disclose to the Washington investor that Donald Swanson was the subject of multiple civil judgments from 2011 related to failed real estate investments, and that Mark and Donald Swanson had each defaulted on their home mortgages and an Illinois circuit court judge had entered an Order of Foreclosure against Donald Swanson in December 2012 and against Mark Swanson in February 2013.

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

### CONCLUSIONS OF LAW

1. The offer or sale of the investment as described above constitutes the offer or sale of a security as defined in RCW 21.20.005(14) and RCW 21.20.005(17).
2. The offer or sale of said securities was in violation of RCW 21.20.010 because, as set forth in the Tentative Findings of Fact, Respondents made untrue statements of material fact or omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading.

### FINAL ORDER

Based upon the foregoing and finding it in the public interest:

IT IS HEREBY ORDERED that the respondents, Alfred Mark Swanson and Donald L. Swanson, Sr., their agents, and their employees each shall cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

IT IS FURTHER ORDERED that the respondents, Alfred Mark Swanson and Donald L. Swanson, Sr., shall be jointly and severally liable for and shall pay a fine in the amount of \$5,000.

IT IS FURTHER ORDERED that the respondents, Alfred Mark Swanson and Donald L. Swanson, Sr., shall be jointly and severally liable for and shall pay costs in the amount of \$750.

### AUTHORITY AND PROCEDURE

This FINAL ORDER is entered pursuant to the provisions of RCW 21.20.390 and RCW 21.20.395, and is subject to the provisions of RCW 21.20.440 and Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of Chapter 34.05 RCW. For the requirements for Judicial Review, see RCW 34.05.510 and sections following. Pursuant to

1 RCW 21.20.395, a certified copy of this Order may be filed in Superior Court. If so filed, the clerk shall  
2 treat the Order in the same manner as a Superior Court judgment as to the fine, and the fine may be  
3 recorded, enforced, or satisfied in like manner.

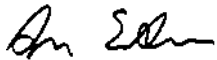
4 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

5  
6 SIGNED and ENTERED this 21st day of July 2014.

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9  
10 William M. Beatty  
11 Securities Administrator

12 Approved by:

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15 Suzanne Sarason  
16 Chief of Enforcement

12 Presented by:

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15 Holly Mack-Kretzler  
16 Financial Legal Examiner

17 Approved by:

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20 Robert Kondrat  
21 Financial Legal Examiner Supervisor