

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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ARKANSAS SECURITIES DEPT.

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IN THE MATTER OF  
IVOL R. GREEN and  
ENTERPRISE WORLD TRUST, LLC

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Case No. S-12-0010

AMENDED REQUEST FOR CEASE AND DESIST ORDER

The Staff of the Arkansas Securities Department (Staff) has received information and has in its possession certain evidence which indicates that Ivool R. Green and Enterprise World Trust, LLC, (EWT) have violated provisions of the Arkansas Securities Act (Act), codified at Ark. Code Ann. §§ 23-42-101 - 509.

ADMINISTRATIVE AUTHORITY

1. This matter is brought in connection with violations of the Act, and is therefore properly before the Arkansas Securities Commissioner (Commissioner) in accordance with Ark. Code Ann. § 23-42-209.

RESPONDENTS

2. Ivool R. Green is a resident of Mabelvale, Arkansas, a part of the Little Rock, Arkansas area. Mail directed to Green at his Mabelvale address can be addressed to either Mabelvale, or Little Rock, provided it has the correct zip code.
3. EWT purports to be a limited liability company, but the Staff has found no records of EWT's formation as a limited liability company. Green represents himself to be Chief Executive Manager of EWT.

## FACTS SUPPORTING CEASE AND DESIST ORDER

4. In October 2011, Green, acting as the Chief Executive Manager of EWT, offered a prospective investor (Prospect) what was referred to as funding by means of a term sheet, which is attached hereto as Exhibit A. What is referred to as “funding” is actually defined in the term sheet as a return on an investment. The term sheet reflected that EWT was offering a return of \$24 million on a \$750,000 investment made by Prospect, “funding” to begin within thirty to forty-five days after Prospect made his \$750,000 investment.
5. The method by which EWT was to take \$750,000 and make \$24 million from it in less than two months was described in the term sheet as follows:

Upon receipt of the Investment wire [of \$750,000], . . . Funder [EWT] begins Asset Leveraging Process to generate Agreed Funds of \$24,000,000 (Twenty Four Million USD) to be disbursed after Asset Leveraging is complete . . .

No other description of “Asset Leveraging” is contained in the term sheet.

6. In telephone conversations with Prospect, Green stated that he would take Prospect’s \$750,000 and leverage it to make more money. With the return on his leveraging, Green told Prospect, Green would use the increased amount of money to 1) pay a fee to obtain control of \$24 million and 2) pay all costs of loaning the \$24 million to Prospect so that Prospect did not have to pay the loan back. Green referred to the loan as a non-recourse, non-repayment loan. Green told Prospect that Green’s job in disbursing the \$24 million over time to Prospect was to make sure that federal regulations were followed, which required only that the business or project funded create jobs. To make sure that jobs were created and federal regulations thus followed, Green told Prospect that Green could have

a person located on Prospect's premises for six to twenty-four months. Green told Prospect that he was hired to do this job, but never told Prospect who hired him or what entity possessed the funds that would be accessed in this way.

7. A search of the records of the Arkansas Securities Department shows no registration or exemption from registration of any investment issued by EWT.
8. A search of the records of the Arkansas Securities Department shows no registration or exemption from registration for Green as an agent of the issuer.

### APPLICABLE LAW

9. Ark. Code Ann. § 23-42-102(15)(A)(xi) defines a security as an investment contract.
10. Ark. Code Ann. § 23-42-501 provides that it is unlawful for any person to offer or sell any security which is not registered or which is not exempt from registration under the terms of the Act or federal law.
11. Ark. Code Ann. § 23-42-102(1)(A) defines agent as any individual who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities.
12. Ark. Code Ann. § 23-42-301(a) provides that it is unlawful for any person to transact business in this state as an agent unless he is registered as such pursuant to the Act.

### VIOLATIONS OF LAW

13. The investment solicited from Prospect was an investment contract, a type of security listed at Ark. Code Ann. § 23-42-102(15)(A)(xi). An investment contract is the investment of money into the risk capital of a common enterprise or venture with the expectation of benefit or profit with no effective control over the venture. According to

the term sheet described in ¶¶ 4 and 5 and Green's statements set out in ¶ 6, this investment represented the investment of money into an investment pool to be managed by Green and EWT. Prospect would be totally without control and totally dependent on the efforts of others, specifically those of Green and EWT, who would use Prospect's funds to produce a return on Prospect's investment by an "Asset Leveraging Process" and other actions which are not explained.

14. A search of the records of the Department reveal neither a registration, nor a proof of exemption for any security issued by EWT. Further, the records of the Department do not reveal a notice filing pursuant to Ark. Code Ann. § 23-42-509, which is necessary in the case of covered securities under federal law, for any security issued by EWT, and this investment as described above does not fit within the definition of a covered security under federal law.
15. The facts set out above in ¶¶ 2 - 8 show that the Respondents offered unregistered securities in violation of Ark. Code Ann. § 23-42-501.
16. The facts set out above in ¶¶ 2 - 8 show that the Green represented EWT in attempting to effect a sale of a security issued by EWT. As noted earlier in ¶ 8, Green was not registered in accordance with the Act as an agent of the issuer, EWT. Therefore, he acted as unregistered agent of the issuer in violation of Ark. Code Ann. § 23-42-301(a).

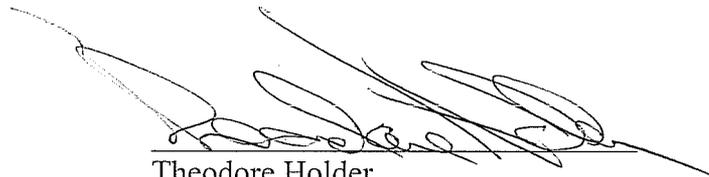
#### LEGAL AUTHORITY TO ISSUE CEASE AND DESIST ORDER

17. Ark. Code Ann. § 23-42-209(a)(1)(A) provides that whenever it appears to the Commissioner that any person has engaged or is about to engage in any act or practice

constituting a violation of any provision of the Act, he may summarily order the person to cease and desist from the act or practice.

WHEREFORE, the Staff respectfully requests that the Commissioner summarily issue a cease and desist order against Ivol R. Green and Enterprise World Trust, LLC, as well as others whose identities are not yet known who are employed by or otherwise affiliated with that entity or Green who receive actual notice of the order, ordering them to cease and desist from any further actions in the state of Arkansas in connection with the offer or sale of securities, as set out in ¶¶ 2 - 8, until such time as the securities in question and the persons and entities offering and selling the securities are all properly registered or shown to be exempt from registration pursuant to the Arkansas Securities Act. It is further requested that the Commissioner order the Staff to continue its investigation into this matter to determine other possible violations of the Act by Green, Enterprise World Trust, LLC, and any affiliates or associates whose identities and/or actions are presently unknown to the Staff, including but not limited to securities fraud.

Respectfully submitted,



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*Counsel for the Staff*

# Enterprise World Trust, LLC

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DATED: October 18, 2011

From: Ivol R. Green, Chief Executive Manager

For: [REDACTED]

TERM SHEET : CONDITIONAL COMMITMENT EXPIRES OCTOBER 21, 2011

Amount: \$24,000,000.00 (TWENTY FOUR MILLION USD)

Investment : \$ 750,000.00 (SEVEN HUNDRED FIFTY THOUSAND USD)

Term : Six (6) Months

## FUNDING AGREEMENT TERMS:

- \$750,000 Investment Fee is secured by \$2,500,000 Senior Life Settlement Policy Collateral and Safe Keeping Receipt in the name of [REDACTED]
- Policy Collateral SKR will reflect the following:
  - Policy is blocked in [REDACTED] name with no liens or encumbrances
  - Policy blocked for six months or first Draw of Funding, whichever first
  - Policy guaranteed to be in force and annual Premium paid
  - Should collateral be surrendered at six months, [REDACTED] has option to either transfer the Policy to its name or Enterprise World Trust, LLC will rescind Collateral Policy for \$750,000.00.
- Draw Schedule is submitted and approved to disburse \$24,000,000 Funds
- Funding Draws begin within 30-45 days
- Draws will be disbursed by a mutually approved Paymaster
- Funding Draws will be wired to bank coordinates specified by client as recorded with Paymaster.

This Term Sheet does not constitute an offer of securities for sale in the United States or any securities referenced in this agreement may not be offered or sold in the United States or to or for the benefit of US persons (as such term is defined in Regulation S pursuant to the U.S. Securities Act of 1933, as amended (Securities Act)) unless they are registered pursuant to the Securities Act or pursuant to an available exemption wherefrom

EXHIBIT

A

**FUNDING PROCEDURES:**

1. Recipient and Funder sign this Agreement, agreeing to all of the steps in the process and all associated documents.
2. Funder transmits fully documented file of Collateral Senior Life Settlement Policy with full Safe Keeping Receipt per above terms with Attestation by Escrow Agent maintaining integrity of said Collateral Policy.
3. Recipient wires \$750,000.00 (Seven Hundred Fifty Thousand USD) to the Funder Banking Coordinates as recorded; Funder verifies receipt of the Investment wired funds from Recipient.
4. Upon receipt of the Investment wire, and after successful verification and acceptance by the Funder's Bank, Funder begins Asset Leveraging Process to generate Agreed Funds of \$24,000,000.00 (Twenty Four Million USD) to be disbursed after Asset Leveraging is complete; Funds will be disbursed in approved Draw Schedule beginning within 30-45 days after Asset Leveraging completion.
5. Upon first Draw of funds, Recipient agrees to relinquish and return Collateral Senior Life Settlement Policy to Funder and forfeits any rights to said Collateral Policy.

THIS TERM SHEET EXPIRES OCTOBER 21, 2011. RECIPIENT CAN SIGN ON OR BEFORE THE EXPIRATION DATE. BY SIGNING BELOW YOU ARE SIGNIFYING YOUR ACCEPTANCE AND UNDERSTANDING OF THE TERMS OUTLINED IN THIS FUNDING OFFER.

ALL INQUIRIES MUST BE MADE BEFORE THE EXPIRATION DATE: OCTOBER 21, 2011.

FINAL CLOSING CONTINGENT UPON COMPLETION OF FUNDING AGREEMENT, PROVISION OF COLLATERAL POLICY AND TRANSFER OF INVESTMENT FUNDS TO ENTERPRISE WORLD TRUST, LLC CORPORATE ACCOUNT.

FOR AND BEHALF OF 

DATE: \_\_\_\_\_

\_\_\_\_\_  
 Signatory