



ARIZONA CORPORATION COMMISSION

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Commission Orders More Than \$3.78 Million for Defrauded Investors

PHOENIX, AZ—The Arizona Corporation Commission today ordered a Chandler man to pay more than \$2.16 million in restitution for defrauding investors with a trio of business ventures. In a separate case, the Commission sanctioned a Scottsdale man and a Florida fugitive for offering and selling an investment in a Mesa storage facility that defrauded investors of more than \$1.62 million.

William N. Nordstrom

The Commission ordered William N. Nordstrom of Chandler to pay \$2,163,142 in restitution and a \$100,000 administrative penalty for committing securities fraud. The Commission found that, while not registered to offer or sell securities in Arizona, Nordstrom fraudulently offered and sold investments in three different companies—one of which sold the contents of shipping containers, the second of which sold organic fertilizer and the third of which sold imported cosmetics. The Commission found that on several occasions Nordstrom used investor funds to make payments to the other investors and for other non-investment-related purposes, including transfers to Nordstrom's various businesses and his personal bank account. The Commission found that Nordstrom did not inquire about the accreditation and sophistication of the investors, most of whom lived in Arizona. In settling this matter, Nordstrom neither admitted nor denied the Commission's findings, but agreed to the entry of the consent order. For more details about this case, view the full text of the Commission's order [S-20899A-13-0396](#).

Randall Duane Simonson, Karl Henry Rehberg and Seed Corporation

The Commission found Randall Duane Simonson of Scottsdale, Karl Henry Rehberg of Florida, also known as Shawn Pierce, and Seed Corporation liable for securities fraud in connection with the sale of stock and a promissory note. The Commission found that, while not registered to offer or sell securities in Arizona, Seed Corporation and Simonson received a total \$1,629,577 from investors for a business venture they promoted that would finance and develop an energy efficient storage facility in Mesa, Arizona. The Commission found that Rehberg, who also was not registered to offer or sell securities in Arizona, misrepresented his identity to Simonson and the investors in order to hide his past criminal activity, which included fleeing from prosecution related to a securities fraud totaling over \$20 million in Florida. The Commission ordered Simonson and Seed Corporation to pay \$1,408,077 in restitution, while Rehberg was ordered to pay \$1,211,577 in restitution. Additionally, the Commission levied administrative penalties in the amount of \$5,000 for Seed Corporation and Simonson, and \$50,000 for Rehberg. For more details about this case, view the full text of the Commission's order [S-20844A-12-0122](#).

The Commission's final order against the named respondents in both cases will be posted online as soon as it is signed by all of the Commissioners. Please check the website in a few days:

<http://www.azcc.gov/divisions/securities/enforcement/enforce-orders.asp>

More caution for investors:

Even when selling a legitimate product, some promoters do not recognize the investment program they have created is a security. Determining whether an alternative investment program is a security is not always easy to determine and depends upon the unique facts and circumstances of the transaction and not on what a promoter calls the investment product. Even when investing with someone they know, investors should verify the registration of sellers and investment opportunities and investigate disciplinary histories by contacting the Arizona Corporation Commission's Securities Division at 602-542-4242 or toll free in Arizona at 1-866-VERIFY-9 (837-4399). The Securities Division's investor education website also has helpful information at www.azinvestor.gov.

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