OPEN MEETING ITEM

ORIGINAL 8/19/04

615

0000010933

COMMISSIONERS
MARC SPITZER - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

BRIAN C. McNEIL
EXECUTIVE SECRETARY

SECURITIES DIVISION
1300 West Washington, Third Floor
Phoenix, AZ 85007
TELEPHONE: (602) 542-4242
FAX: (602) 594-7470
E-MAIL: accsec@ccsd.cc.state.az.us

ARIZONA CORPORATION COMMISSION

MEMORANDUM

Arizona Corporation Commission
DOCKETED
AUG 06 2004
DOCKETED BY [signature]

RECEIVED
2004 AUG -6 A 11:43
AZ CORP COMMISSION
DOCUMENT CONTROL

TO: Marc Spitzer, Chairman
William A. Mundell
Jeff Hatch-Miller
Mike Gleason
Kristin K. Mayes

FROM: Matthew J. Neubert MM
Director of Securities

DATE: August 3, 2004

RE: Proposed Order re: Richard Fandrich, S-03505A-04-0000

CC: Brian C. McNeil, Executive Secretary

Attached is a proposed Default Order for Richard Fandrich. The Order requires Mr. Fandrich to cease and desist his activity, to pay restitution of $2,304,524 and a penalty of $25,000.

Fandrich, along with other Respondents, was recruited by Respondents Integrowth Financial Group ("Integrowth") and Roger Sande to open a branch office of Integrowth in Phoenix in 1999. Fandrich, along with the other Respondents, subsequently established their own entity, Fountain Capital Management, LLC ("FCM"), instead of Integrowth, to operate the office. Respondents originally sold viatical investments, but then branched out into other unregistered and fraudulent securities, including pay telephone investments, ATM investments and a Ponzi scheme contract named Chemical Trust. Combined, Fandrich and the other Respondents sold $2,304,524 in these unregistered investments to 67 investors. Fandrich and the other Respondents shared all commissions between them and controlled the operations of FCM.

Of the four primary unregistered investments sold by Fandrich, three of them, Future First Financial Corp., Alpha Telecom and Chemical Trust were sued by securities regulators for fraudulent activity, with receivers appointed to collect any assets for investors. A fourth investment, Integrated Cash Systems, defaulted on its investors' contracts. Integrated Cash Systems also has other securities orders against it.

On October 29, 2001, Sande was arrested and later sentenced to seven years in prison. He currently resides in a California prison.

The Order finds that Fandrich violated A.R.S. § 44-1841 and 44-1842 by selling unregistered securities while being unlicensed. It also finds that he committed numerous violations of A.R.S. § 44-1991 by, among other matters, failing to disclose risk, failing to provide disclosure statements, prospectuses or financial statements, providing inaccurate or fraudulent statements and failing to disclose other securities orders against Respondents. Pursuant to A.R.S. § 44-1999, Fandrich is found to have controlled FCM and is thus responsible for its activities.

Fandrich, although served, has apparently chosen to disregard the Commission's Notice and have not requested a hearing on the matter. The Securities Division recommends the Commission enter an order against him for the full amount of losses suffered by the investors who purchased products from Respondents. Such an order is appropriate as Fandrich was based in Arizona when he made the sales, primarily sold to Arizona residents and since all the investment products sold by Fandrich were fraudulent and resulted in substantial investor losses.

Originator: Mark Dinell

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

In the matter of FOUNTAIN CAPITAL MANAGEMENT, LLC c/o DAVID A. FAZIO 3616 West Cortez Phoenix, Arizona 85029 INTEGROWTH FINANCIAL GROUP C/O ROGER ALVIN SANDE CDC # V06974 P.O. Box 2210 Susanville, California 96130 RICHARD A. FANDRICH 11424 North 25th Avenue Phoenix, Arizona 85029 DAVID A. and DEBORAH FAZIO 3616 West Cortez Phoenix, Arizona 85029 DONALD and HELEN ABERNATHY 2323 North Central Avenue, #803 Phoenix, Arizona, 85004 STEPHEN A. and JANE DOE HILTBRAND 2156 E. Estrella Circle Mesa, Arizona 85202 ROGER ALVIN SANDE CDC # V06974 P.O. Box 2210 Susanville, California 96130 Respondents.	DOCKET NO. S-03505A-04-0000 DECISION NO. ______________ **ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AGAINST RESPONDENT RICHARD FANDRICH**

On May 7, 2004, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order

To Cease and Desist, Order for Restitution, for Administrative Penalties and for Other Affirmative Relief ("Notice") with respect to Respondent RICHARD FANDRICH ("FANDRICH"). The Division served the Notice on FANDRICH via certified mail, return receipt requested on May 21, 2004. The Notice specified that the FANDRICH would be afforded an opportunity for an administrative hearing regarding this matter upon filing a written request with Docket Control of the Commission within ten days of receipt of the Notice. FANDRICH failed to request a hearing within the required time.

I.

FINDINGS OF FACT

1. RICHARD A. FANDRICH ("FANDRICH"), a single man, was served at P.O. Box 294, Seaside, OR 97138-0194.

2. At all times relevant, FANDRICH was a resident of the state of Arizona. He was not registered with the Division as a broker or a securities salesman.

3. In 1999, RESPONDENTS INTEGROWTH FINANCIAL GROUP ("INTEGROWTH") and ROGER ALVIN SANDE ("SANDE") recruited RESPONDENTS FANDRICH, ABERNATHY, DAVID A. FAZIO ("FAZIO") and STEPHEN A. HILTBRAND ("HILTBRAND") (collectively "the INDIVIDUAL RESPONDENTS") to start a branch office of INTEGROWTH in Phoenix. SANDE told the INDIVIDUAL RESPONDENTS that INTEGROWTH was his company. The purpose of the company was to sell viatical and other investment opportunities to members of the public in Arizona. SANDE told the INDIVIDUAL RESPONDENTS that INTEGROWTH marketed viatical policies. SANDE agreed with the INDIVIDUAL RESPONDENTS that INTEGROWTH would pay all expenses incurred in the sale of the viaticals and would pay the INDIVIDUAL RESPONDENTS a 7% commission on each viatical policy they sold.

4. In June 1999, the INDIVIDUAL RESPONDENTS formed FOUNTAIN CAPITAL MANAGEMENT, LLC ("FCM"), and continued their operations under its name. The INDIVIDUAL RESPONDENTS and FCM (collectively the "FCM RESPONDENTS") continued to sell viatical policies, just as they had with INTEGROWTH. INTEGROWTH and SANDE continued to receive an override commission on all products sold by the FCM RESPONDENTS.

5. The FCM RESPONDENTS agreed that they would share all commissions among themselves, without regard to which of them made the actual sale.

6. Both INTEGROWTH and FCM ran advertisements in Phoenix newspapers, offering investments with returns as high as 40%. Once investors called, INTEGROWTH, SANDE and the FCM RESPONDENTS (collectively "RESPONDENTS") attempted to sell them the investments.

The Viatical Policies

7. From at least January 1999 through at least June 2000, RESPONDENTS offered and sold securities in the form of viatical settlement contracts and investment contracts to Arizona investors. A viatical settlement contract involves the purchase of an interest in the proceeds from a life insurance policy of a terminally ill individual. Various viatical companies purchase the policies at a discount and re-sell the benefits to investors at less than the full face value. When the policy matures, that is when the insured dies, the investor receives the full face value as return of investment plus profit.

8. All viatical policies sold by RESPONDENTS were on behalf of Future First Financial Group ("Future First") of Pointe Verda Beach, Florida. RESPONDENTS told investors that the only risk involved with the purchase of viatical policies was the risk that the insured would die at a later date, thereby reducing the expected return. They informed investors that returns could be as high as 100%, with the investment being safe and guaranteed.

9. Investors did not receive medical information on the insured whose policy they purchased. Rather, they received a short summary from a medical doctor, simply describing the life expectancy of the insured. RESPONDENTS never checked and thus did not inform investors that the doctor who wrote the medical summary was a Florida cosmetic doctor. Investors were told that Future First viatical policies were 100% correct in their medical assessments with no insured living past their expected date of death.

10. Investors were also informed that they would never have to pay any fees or other payments after they purchased the viatical policy.

11. On or about February 4, 2000, Future First and its vice-president were indicted by the state of Florida for 81 counts of grand theft and one count of organized fraud in connection with the marketing of fraudulently obtained policies valued at $6,900,000. After Future First defaulted on its management responsibilities with respect to the viatical policies, investors were left with the choice of making additional payments to keep the policies in effect or allowing policies to lapse due to nonpayment of premiums. Some Future First viatical policies were found not to have actual underlying insurance policies.

12. RESPONDENTS failed to provide full disclosure regarding the investment including risk, disclosure statements, prospectuses, financial statements or RESPONDENTS' own lack of due diligence in investigating the investment. RESPONDENTS failed to provide certain material information to investors about Future First, including but not limited to past operations, balance sheets, statements of income, retained earnings, and cash flows that would reflect the financial position of these entities. RESPONDENTS distributed literature that misrepresented the investment as a "no risk" opportunity. RESPONDENTS failed to provide investors with certain material information about the use of investor proceeds, such as the cost to purchase the policy, the fees and commissions payable to them, medical advisors, or any other participants in the program.

13. From January 1999 through at least June 2000, RESPONDENTS offered and sold securities in the form of viatical settlement contracts and investment contracts to at least 34 Arizona investors, who invested a total of at least $1,110,482.

The Alpha Pay Telephone Contracts

14. Alpha Telcom, Inc. ("Alpha") was an Oregon corporation located at 2751 Highland Avenue, Grants Pass, Oregon 97526.

15. American Telecommunications Company, Inc. ("ATC") was a Nevada corporation formed as a wholly owned subsidiary of Alpha on or about September 17, 1998. Originally named ATC, Inc., the name was changed to American Telecommunications Company, Inc., sometime in the first half of 2000. Its address was the same as Alpha's, but was later changed to 620 S.W. 4th Street, Grants Pass, Oregon 97526, then to 2900 Vine Street, Suite J, Grants Pass, Oregon 97526, and then to 942 S.W. 6th Street, Suite G, Grants Pass, Oregon 97526.

16. Paul S. Rubera ("Rubera") was the president and control person of Alpha, and the control person of ATC.

17. ATC was organized by Rubera and operated in conjunction with and as an alter ego of Alpha. The two companies were controlled by Rubera and his associates.

18. Alpha and ATC, and their affiliates, sold pay telephones with telephone service agreements pursuant to which the investor would share in the profits of the pay telephone. Investors would enter into two agreements, a purchase agreement, and a service agreement with Alpha to manage the phone. The two agreements were presented and promoted simultaneously. The telephones were presented to potential investors with four options in the way of service contracts, each varying in the amount of service provided. The four options varied from Level 1, which included a minimum of service, to Level 4, which provided full service to the purchaser, including choosing a site and installing the telephone, collecting all revenue from the telephone's

operation, repairing the telephone when necessary, and even repurchasing or buying back the telephone at the investor's option. Under Level 4, Alpha would split the net proceeds with the investor on a 70/30 basis, with Alpha retaining 70% and the investor receiving 30%. The price of the pay telephones was the same regardless of the service option chosen, $5,000.00 per telephone. Although investors were given a choice of using a company other than Alpha to manage the phone, no known Arizona investor picked a company other than Alpha to manage their phones. A "typical return" on each pay telephone was touted as 14% per year. In practice, all purchasers received $58.34 per month per pay telephone purchased, which amounted to exactly 14% per annum.

19. ATC's primary role was marketing the contracts. Alpha's main focus was on obtaining phone sites and installing, servicing, and managing the phones.

20. ATC was presented to the public as the sales organization for Alpha. In early 1999, ATC engaged Strategic Partnership Alliance, L.L.C., a Nevada limited liability company, and/or SPA Marketing, L.L.C., a Nevada limited liability corporation, (collectively "SPA") as its independent marketing and sales firm(s). SPA thereafter was responsible for hiring, training, and supervising sales agents who were selling the telephone contracts. After SPA came on board, ATC remained as the processing center for the contracts, while Alpha continued to perform the service and maintenance of the phones.

21. The FCM RESPONDENTS, directly or indirectly, entered into agreements with Alpha, ATC, and/or SPA, pursuant to which the FCM RESPONDENTS sold investment contracts involving Alpha pay telephones (the "Alpha investment contracts") within or from the state of Arizona. All Alpha investment contracts the FCM RESPONDENTS sold were Level 4 contracts.

22. The FCM RESPONDENTS told prospective investors their investments were insured. The insurers' name varied. Mentioned most often was the Northern and Western Insurance Company of Grand Turk, Turks and Caicos Islands, British West Indies ("N&W"). Also

mentioned were Lloyd's of London and four other insurance companies listed as re-insurers. N&W was a captive insurance company wholly owned by Paul S. Rubera, the President and control person of Alpha, and Robert S. Harrison of Richmond, Texas. N&W is not authorized to write insurance in Arizona. On information and belief, N&W was not authorized to write insurance in any state in which the Alpha pay telephones were located. In a letter dated August 15, 2001, Harrison stated: "There is not now, nor was there ever any insurance coverage for Alpha Telcom, Inc."

23. The FCM RESPONDENTS presented Alpha to prospective customers as a stable, profitable, and innovative company that had been in business since 1985. Alpha was said to be selling and providing a "turn-key" operation.

24. On information and belief, sales agents were paid commissions from 12% to 19% per telephone sold.

25. Alpha has a long regulatory history in which state securities regulators have found that these purchases of pay telephones and accompanying service contracts were unregistered securities in the form of investment contracts that were sold by unregistered persons and/or entities, and ordered Alpha and those working with it to cease and desist. The FCM RESPONDENTS did not reveal these orders to the investors with whom they dealt. The orders that the FCM RESPONDENTS could have revealed include:

a. February 2, 1999, Cease and Desist Order issued by Pennsylvania Securities Commission in *In the Matter of Alpha Telcom, Inc., et al.*, No. 9812-06.

b. November 17, 1999, Cease and Desist Order issued by North Carolina Secretary of State in *In the Matter of the North Carolina Securities Division v. ATC, Inc., Paul Rubera, et al.*, No. 99-038-CC.

c. June 30, 1999, Temporary Order of Prohibition issued by Illinois Secretary of State in *In the Matter of Alpha Telcom, Inc.*, No. 9900201.

d. January 14, 2000, Consent Order of Prohibition issued by Illinois Secretary of State in *In the Matter of Alpha Telcom, Inc.*, No. 9900201, Alpha agreeing to offer rescission to all Illinois purchasers.

e. November 24, 1999, Cease and Desist Order issued by Wisconsin Department of Financial Institutions in *In the Matter of Alpha Telcom, Inc. and Paul S. Rubera, et al.*, No. S-99225(EX).

f. March 7, 2000, Temporary Cease and Desist Ordered issued by Rhode Island Department of Business Regulation in *In the Matter of Alpha Telcom, Inc. and ATC, Inc.*

g. July 18, 2000, Florida Department of Banking and Finance filed administrative action against Alpha and others, seeking a Cease and Desist Order.

h. October 24, 2000, Desist and Refrain Order issued by California Department of Corporations.

37. The United States Securities and Exchange Commission sued Alpha and its affiliates in *SEC v. Alpha Telcom, Inc., et al.*, No. CV 01-1283 PA. The court entered a temporary restraining order on August 27, 2001 and a preliminary injunction on September 6, 2001. The SEC alleged that Alpha and its affiliates engaged in a Ponzi-like scheme that never generated enough income to pay expenses, and that the money paid to existing investors always came from sales to new investors. A court-appointed receiver subsequently took over the remaining operations of Alpha. Alpha consented on October 19, 2001 to entry of the Final Judgment of Permanent Injunction against it, but did not admit the allegations of the Complaint.

38. Alpha's monthly payments to investors ceased prior to August, 2001.

39. The FCM RESPONDENTS sold Alpha investment contracts involving telephones to at least 9 individuals or entities within or from the state of Arizona from September 2000 through July, 2001, for a total sales amount of at least $250,000.

<u>Chemical Trust Investment Contract</u>

40. Beginning 1999, RESPONDENTS began offering the Chemical Trust investment. Investors were told that Chemical Trust was a "Members Only Investment Trust" located in West Palm Beach, Florida. Agents, such as RESPONDENTS, were instructed to market the investment to investors at a minimum of $10,000 per contract for 12 months or more. RESPONDENTS were

given authority to offer as much as 25% interest for each investment. Of that 25%, RESPONDENTS were able to choose how much to offer to investors as interest and how much they would keep for their commissions for selling the investment.

41. Investors were told that the investments are guaranteed two ways. First, the investments are guaranteed by Chemical Trust which allegedly held $450,000,000 in assets. Second, the investments were guaranteed by a surety payment bond totaling "in excess of $6 billion dollars" that was provided "for 100% of their principal amount invested" at no cost to the investor. The surety payment bond was allegedly provided by U. S. Guarantee Corporation located in Phoenix, Arizona. In fact, U. S. Guarantee Corporation is not licensed in Arizona as a surety insurer. USGC allegedly had assets of $2,415,142,120, which backed up the bond guaranteeing the investment. Those funds turned out not to exist.

42. RESPONDENTS informed investors that Chemical Trust had been in business for 14 years. Chemical Trust allegedly made profits by purchasing U.S. Treasury notes and distressed property at discount, selling for an immediate profit.

43. On January 7, 2000, the SEC filed a complaint against Chemical Trust, USGC, and others alleging that the money invested with them was misappropriated and sent to offshore bank accounts. It also alleged that Chemical Trust represented to investors that their funds would be used to purchase U.S. Treasury notes and distressed properties, and the investment was 100 percent guaranteed through the security bond with U.S. Guarantee. According to the SEC's complaint, Chemical had not purchased any U.S. Treasury notes or distressed properties, and investor funds were not secured. The complaint alleges that, in a classic Ponzi scheme fashion, Chemical Trust used new investor funds to pay interest to existing investors, in a Ponzi scheme. Subsequently, a preliminary injunction and final judgment was issued against the defendants and a receiver appointed to attempt to collect assets.

44. On June 30, 2000, the ACC entered an Order against Chemical Trust and others, finding that they violated the Arizona Securities Act. *See In re Alliance Trust, at al.*, DOCKET NO. S-03363A-99-0000.

45. RESPONDENTS sold at least $856,042 of investments in Chemical Trust to at least 20 investors.

The ATM Program

46. The FCM RESPONDENTS sold investments in automatic teller machines ("ATMs") to the public through Integrated Cash Systems ("ICS"). Pursuant to the service contracts promoted with the ATMs, the service companies would manage the equipment for the purpose of generating a profit for investors. The offering documents for the investments stated that the ATMs were allegedly placed with retail merchants in order to enable electronic purchase transactions at the customers' points of delivery. The services offered include locating and installing the equipment with retail merchants, handling or processing the transactions, monitoring and maintaining the equipment, insuring the equipment, and issuing monthly profit distribution checks to the investors or "business owners."

47. Although the offering documents for the ATMs describe options for different levels of managing the equipment, in practice, all investors selected the full-service option, which offered a revenue-sharing feature and a buy-back provision from the recommended service company. Under the full-service option, investors had no responsibilities with respect to the operation of their equipment beyond signing the service contracts, no financial obligations apart from the initial payment to purchase the units, no continuing financial obligation in the operation of their equipment, and no liability for any expenses or costs related to the operation of the equipment. At least one of the services offered to investors, i.e., transaction handling, requires special expertise. That function involves processing transactions, and is the key to generating a profit for investors.

48. The FCM RESPONDENTS sold the ATMs to investors who had no experience in or knowledge of the cash terminal business, who never intended to take possession of, or to manage, the equipment, and who did not even know where their equipment was located.

49. According to written materials and oral statements made to investors, investors in the ATM programs are supposed to receive a) minimum monthly revenue equivalent to 12% of their original investment generated from the operation of their equipment; b) a share of the monthly net profit on each machine in excess of the base monthly payment; c) a full return of their investment at the end of the five-year term because they have a right to sell the equipment back to the service company for the original amount of the investment, or renew the investment; and d) if the monthly revenue from the operation of the machine falls below the base payment, the right to request that the service company repurchase the equipment for the original sales price or relocate the equipment to another location with the potential for a higher profit from sharing in increased revenue.

50. Despite these representations, ICS defaulted on payments and failed to repurchase the investors' ATM machines as requested. The FCM RESPONDENTS sold at ATM investments to at least four investors who invested at least $88,000.

The Other Securities Orders

51. In 1996, the Missouri Commissioner of Securities issued an order against ABERNATHY for violation of its securities laws.

52. On September 28, 1999, the Iowa Securities Bureau issued an order against INTEGROWTH and ABERNATHY for violation of its securities laws for their sale of the Chemical Trust products.

53. On August 24, 1999, the North Dakota Commissioner of Securities issued an order against INTEGROWTH and HILTBRAND for violations of its securities laws.

54. On October 29, 2001, SANDE was arrested on 38 felony counts of theft and unlicensed sales of viaticals, allegedly defrauding investors of over $2.7 million. On November 19, 2003, SANDE was sentenced to seven years and four months in prison, in addition to paying $1,453,929.56 in restitution.

55. On November 11, 2003, the Wisconsin Department issued an order for fraud in the sale of securities against FCM, ABERNATHY, FAZIO and FANDRICH.

56. RESPONDENTS did not inform any investors of any of the Orders against them, nor of any of the Orders against the companies whose investments they sold.

II.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Securities Act.

2. FANDRICH offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. FANDRICH violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. FANDRICH violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. FANDRICH violated A.R.S. § 44-1991 by offering or selling securities within or from Arizona by (a) employing a device, scheme or artifice to defraud, (b) making untrue statements or misleading omissions of material facts, and (c) engaging in transactions, practices or courses of business which operate or would operate as a fraud or deceit.

6. FANDRICH directly or indirectly controlled FCM within the meaning of A.R.S. § 44-1999. Therefore, he is liable to the same extent as FCM for its violations of A.R.S. § 44-1991.

7. FANDRICH's conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-2032.

8. FANDRICH's conduct is grounds for an order of restitution pursuant to A.R.S. § 44-2032.

9. FANDRICH's conduct is grounds for administrative penalties under A.R.S. § 44-2036.

III.

ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that FANDRICH, his agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that FANDRICH shall pay restitution to investors shown on the records of the Commission in the amount of $2,304,524, plus interest at the rate of 10% per annum from the date of each investment until paid in full. FANDRICH shall be entitled to setoffs for restitution paid to investors and verified by the Director of Securities. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. If all investors are paid in full, any excess funds shall revert to the state of Arizona. If FANDRICH does not comply with this order of restitution, any outstanding balance shall be in default and shall be immediately due and payable without notice or demand.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that FANDRICH shall pay an administrative penalty in the amount of $25,000, payable to the "State of Arizona." Payment shall be made in full by cashier's check or money order on the date of this Order. If. FANDRICH does not comply with this order for administrative penalties, any outstanding balance may be deemed in default and shall be immediately due and payable without notice or demand.

IT IS FURTHER ORDERED that this Order shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN COMMISSIONER COMMISSIONER

COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this _______ day of _________________, 2004

BRIAN C. McNEIL
Executive Secretary

DISSENT

DISSENT

This document is available in alternative formats by contacting Yvonne L. McFarlin, Executive Assistant to the Executive Secretary, voice phone number 602-542-3931, E-mail ymcfarlin@cc.state.az.us.

(md)