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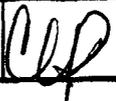
BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

JUL - 2 2002

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

DOCKETED BY 

In the matter of :

DAVID CARROLL LOACH
2237 E. Virginia Avenue
Phoenix, Arizona 85006
(CRD #1251138)

GARY MILBURN LAHA
4311 W. Sweetwater Road
Glendale, Arizona 85304
(CRD #2210875)

Respondents.

DOCKET NO. S-03476A-02-0000

65005

DECISION NO. _____

**ORDER TO CEASE AND DESIST,
ORDER OF SUSPENSION,
ORDER FOR ADMINISTRATIVE
PENALTIES, AND CONSENT TO SAME
BY: GARY MILBURN LAHA**

Respondent Gary Milburn Laha ("LAHA") elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act"), with respect to this Order To Cease And Desist, Order of Suspension, Order for Administrative Penalties, and Consent to Same ("Order"). LAHA admits the jurisdiction of the Arizona Corporation Commission ("Commission"); admits the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. LAHA became a registered securities salesman in Arizona on March 5, 1992. He was associated with American Express Financial Advisors, Inc. ("Amex") from that date until his voluntary termination on or about September 6, 2001. Laha resigned while an Amex internal review

1 of his activities was underway. Amex closed the matter on October 31, 2001, having received no
2 customer complaints regarding LAHA during its internal review. LAHA was briefly associated
3 with another dealer in January 2002, but he left that dealer on January 31, 2002. Having left the
4 dealer, LAHA requested withdrawal of his January 2002 application for Arizona registration while
5 the application was pending. Accordingly, LAHA's January 2002 application for Arizona
6 registration was terminated without the registration having been approved, on February 5, 2002.
7 LAHA's last known address is 4311 West Sweetwater Road, Glendale, Arizona 85304.

8 2. LAHA admits the findings of this paragraph 2 upon information and belief: Ecodom
9 Corporation is an Arizona corporation, formed on October 17, 1996. At that time, the corporation's
10 name was Airzone International Corporation. It changed its name to Ecodom Corporation on April 1,
11 1999. In this Order, the corporation will be called "Ecodom." The last known address of Ecodom is
12 12629 North Tatum Boulevard, #135, Phoenix, Arizona 85032.

13 3. In or about 1998 or January 1999, respondent David Carroll Loach introduced LAHA
14 to Loach's friend Zeev Tchetchik, the chief executive officer of Ecodom. The three men discussed
15 raising capital for Ecodom, over the next several months.

16 4. On or about August 2, 1999, LAHA offered and sold unregistered securities,
17 specifically, Ecodom common stock, to one investor. This person invested \$25,000.00 in Ecodom.

18 5. LAHA offered and sold such securities from Arizona.

19 6. Ecodom paid LAHA a commission of \$2,500.00 as compensation for this sale,
20 representing 10% of the amount the investor had paid for the Ecodom stock. Ecodom wrote two
21 checks totaling \$2,500.00, payable to the order of LAHA, and LAHA endorsed these and deposited
22 them into a personal checking account, which he owned jointly with his wife.

23 7. The Securities Division found no evidence that LAHA made any other offer or sale of
24 Ecodom securities.

25 8. LAHA neither sought nor received approval from his dealer, Amex, to engage in
26 offering or selling Ecodom common stock.

1 9. LAHA did not report his sale of Ecodom common stock to Amex, and
2 consequently such sale was not recorded on the books and records of the dealer with which LAHA
3 was associated at the time of the sale.

4 II.

5 CONCLUSIONS OF LAW

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

8 2. LAHA offered and sold securities, within the meaning of A.R.S. §§ 44-1801(15), 44-
9 1801(21), and 44-1801(26).

10 3. LAHA violated A.R.S. § 44-1841 by offering or selling, within or from Arizona,
11 securities that were neither registered nor exempt from registration.

12 4. LAHA's conduct subjects LAHA to an order of suspension pursuant to A.R.S. § 44-
13 1962. Specifically, LAHA has:

14 a. Engaged in conduct specified by A.R.S. § 44-1962(A)(2), in that he violated a
15 provision of the Securities Act by offering and selling unregistered securities
16 within or from Arizona; and

17 b. Engaged in conduct specified by A.R.S. § 44-1962(A)(10) and Ariz. Admin.
18 Code R14-4-130(A)(17), by effecting a sale of securities that was not recorded
19 on the books and records of the dealer with which he was associated at the time
20 of the sale.

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

22 6. LAHA's conduct is grounds for administrative penalties under A.R.S. § 44-2036.

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III.

ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and LAHA's consent to the entry of this Order, 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 LAHA, and any of LAHA's agents, employees, successors and assigns, shall permanently cease and desist from violating the Securities Act.

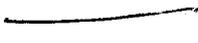
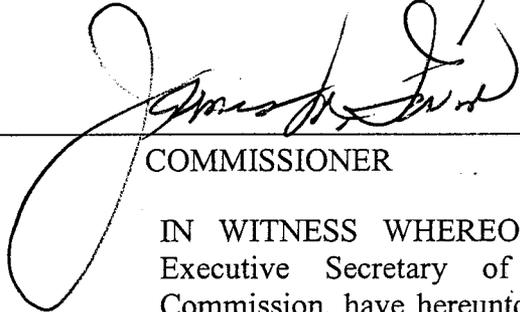
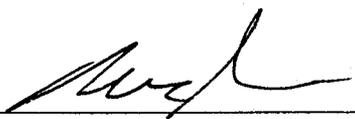
IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that LAHA shall pay an administrative penalty in the amount of \$3,500.00. Payment shall be made in full on the date of this Order, in the form of a check payable to the "State of Arizona," written on a trust account of attorney Debbie Weecks, as custodian of said funds on LAHA's behalf.

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1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-1962, that LAHA's securities
2 salesman registration is suspended for a period of six (6) months, commencing on the effective
3 date of this Order.

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

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

		
CHAIRMAN	COMMISSIONER	COMMISSIONER

9 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
10 Executive Secretary of the Arizona Corporation
11 Commission, have hereunto set my hand and caused the
12 official seal of the Commission to be affixed at the
13 Capitol, in the City of Phoenix, this 2ND day of
July, 2002.

14 
15 BRIAN C. McNEIL
16 Executive Secretary

17 DISSENT

18 This document is available in alternative formats by contacting Shelly M. Hood, Executive
19 Assistant to the Executive Secretary, voice phone number 602-542-3931, E-mail
20 shood@cc.state.az.us.

21 AJL
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CONSENT TO ENTRY OF ORDER

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2 1. GARY MILBURN LAHA ("LAHA") admits the jurisdiction of the Commission over
3 the subject matter of this proceeding. LAHA acknowledges that he has been fully advised of his
4 right to a hearing to present evidence and call witnesses and LAHA knowingly and voluntarily
5 waives any and all rights to a hearing before the Commission and all other rights otherwise
6 available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code.
7 LAHA acknowledges that this Order to Cease and Desist, Order of Suspension, Order for
8 Administrative Penalties, and Consent to Same ("Order") constitutes a valid final order of the
9 Commission.

10 2. LAHA knowingly and voluntarily waives any right under Article 12 of the Securities
11 Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the
12 entry of this Order.

13 3. LAHA acknowledges and agrees that this Order is entered into freely and voluntarily
14 and that no promise was made or coercion used to induce such entry.

15 4. LAHA acknowledges that he has been represented by counsel in this matter, he has
16 reviewed this Order with his attorney and understands all terms it contains.

17 5. LAHA admits the Findings of Fact and Conclusions of Law contained in this Order.

18 6. By consenting to the entry of this Order, LAHA agrees not to take any action or to
19 make, or permit to be made, any public statement denying, directly or indirectly, any Finding of
20 Fact or Conclusion of Law in this Order or creating the impression that this Order is without
21 factual basis. LAHA will undertake steps necessary to assure that all of his agents and employees
22 understand and comply with this agreement.

23 7. While this Order settles this administrative matter between LAHA and the
24 Commission, LAHA understands that this Order does not preclude the Commission from
25 instituting other administrative proceedings based on violations that are not addressed by this
26 Order.

1 8. LAHA understands that this Order does not preclude the Commission from referring
2 this matter to any governmental agency for administrative, civil, or criminal proceedings that may
3 be related to the matters addressed by this Order.

4 9. LAHA understands that this Order does not preclude any other agency or officer of the
5 state of Arizona or its subdivisions from instituting administrative, civil or criminal proceedings
6 that may be related to matters addressed by this Order.

7 10. LAHA agrees that he will not apply to the state of Arizona for registration as a
8 securities dealer or salesman or for licensure as an investment adviser or investment adviser
9 representative, until such time as all penalties under this Order have been paid in full and the term
10 of his suspension pursuant to this Order has been served.

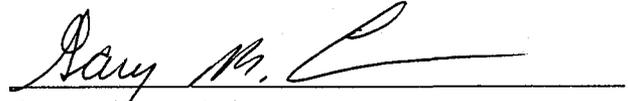
11 11. LAHA agrees that he will not exercise any control over any entity that offers or sells
12 securities or provides investment advisory services, within or from Arizona, until such time as all
13 penalties under this Order have been paid in full and the term of his registration suspension
14 pursuant to this Order has been served. It is understood that this paragraph does not preclude
15 LAHA or his marital community from owning interests in any securities.

16 12. LAHA preserves his right to invoke the privilege against self-incrimination, and
17 otherwise preserves his rights under the Fifth Amendment to the United States Constitution. Apart
18 from the reservation just specified, LAHA agrees that he will cooperate with the Securities
19 Division including, but not limited to, providing complete and accurate testimony at any hearing in
20 this matter and cooperating with the state of Arizona in any related investigation or any other
21 matters arising from the activities described in this Order.

22 13. LAHA consents to the entry of this Order and agrees to be fully bound by its terms and
23 conditions. If LAHA breaches any provision of this Order, the Commission may vacate this Order
24 and restore this case to its active docket.

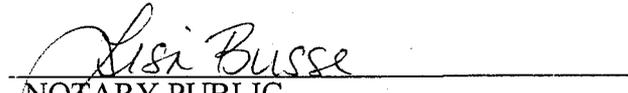
25 14. No admission in this Order, including the Consent, shall be deemed an admission
26 unless the Commission accepts and enters this Order, because said admissions are negotiated items

1 which LAHA shall accept as findings of fact only in the event the Commission accepts the Order
2 in full.

3 

Gary Milburn Laha

4 SUBSCRIBED AND SWORN TO BEFORE me this 14th day of June, 2002.

6 

NOTARY PUBLIC

7 My Commission Expires:

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Notary Public State of A.
Maricopa County
Lisa Busse
Expires October 30 2004

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