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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

MIKE GLEASON, Chairman  
WILLIAM A. MUNDELL

OCT 16 2007

JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

DOCKETED BY *nr*

In the matter of )

DOCKET NO. S-20484A-06-0669

AGRA-TECHNOLOGIES, INC. (a/k/a  
ATI), a Nevada corporation,  
5800 North Dodge Avenue, Bldg. A  
Flagstaff, Arizona 86004-2963;

DECISION NO. 69942

WILLIAM JAY PIERSON (a/k/a BILL  
PIERSON), and SANDRA LEE PIERSON  
(a/k/a SANDY PIERSON), husband and  
wife,  
6710 Lynx Lane  
Flagstaff, Arizona 86004-1404;

**ORDER TO CEASE AND DESIST;  
ORDER OF RESTITUTION;  
ORDER FOR ADMINISTRATIVE  
PENALTIES;  
ORDER OF OTHER AFFIRMATIVE  
ACTION; AND CONSENT TO SAME BY:**

RICHARD ALLEN CAMPBELL (a/k/a  
DICK CAMPBELL), and SONDR A JANE  
CAMPBELL, husband and wife,  
8686 West Morten Avenue  
Glendale, Arizona 85305-3940;

**AGRA TECHNOLOGIES, INC., a Nevada  
corporation;**

WILLIAM H. BAKER, JR. (a/k/a BILL  
BAKER), and PATRICIA M. BAKER,  
husband and wife  
3027 N. Alta Vista  
Flagstaff, Arizona 86004;

**WILLIAM J. PIERSON and SANDRA LEE  
PIERSON, husband and wife;**

**and**

**WILLIAM H. BAKER, JR. and PATRICIA M.  
BAKER, husband and wife**

JERRY JOHNSTON HODGES,  
1858 Gunlock Court  
Saint George, Utah 84790-6705; and

LAWRENCE KEVIN PAILLE (a/k/a  
LARRY PAILLE),  
220 Pinon Woods Drive  
Sedona, Arizona 86351-6902,

Respondents.

Respondents AGRA TECHNOLOGIES, INC. (a/k/a ATI), a Nevada corporation,

WILLIAM JAY PIERSON (a/k/a BILL PIERSON) and SANDRA LEE PIERSON (a/k/a SANDY

1 PIERSON), husband and wife, and WILLIAM H. BAKER, JR. (a/k/a BILL BAKER) and  
2 PATRICIA M. BAKER, husband and wife, elect to permanently waive any right to a hearing and  
3 appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.*

4 (“Securities Act”) with respect to this Order To Cease And Desist (“Order”). Respondents AGRA  
5 TECHNOLOGIES, INC. (a/k/a ATI), a Nevada corporation, WILLIAM JAY PIERSON (a/k/a  
6 BILL PIERSON) and SANDRA LEE PIERSON (a/k/a SANDY PIERSON), husband and wife,  
7 and WILLIAM H. BAKER, JR. (a/k/a BILL BAKER) and PATRICIA M. BAKER, husband and  
8 wife, admit the jurisdiction of the Arizona Corporation Commission (“Commission”); neither  
9 admit nor deny the Findings of Fact and Conclusions of Law contained in this Order; and consent  
10 to the entry of this Order by the Commission.

11 I.

12 **FINDINGS OF FACT**

13 1. Respondent AGRA-TECHNOLOGIES, INC. (a/k/a ATI) (hereafter, “AGRA”) is a  
14 Nevada corporation that registered to do business as a foreign corporation in Arizona on May 21,  
15 1999. AGRA’s principal place of business is located in Flagstaff, Arizona.

16 2. WILLIAM JAY PIERSON (a/k/a BILL PIERSON) (“PIERSON”) is an individual  
17 residing in Flagstaff, Arizona. From May 1, 1998 to the present, PIERSON has conducted business as  
18 AGRA’s co-founder, President, Chief Executive Officer, Director and shareholder.

19 3. SANDRA LEE PIERSON (a/k/a SANDY PIERSON) (“SANDRA LEE PIERSON”)  
20 was at relevant times the spouse of PIERSON. SANDRA LEE PIERSON is joined in this action  
21 under A.R.S. §44-2031(C) solely for purposes of determining the liability of the marital community.  
22 At all relevant times, PIERSON and SANDRA LEE PIERSON were acting for their own benefit, and  
23 for the benefit or in furtherance of the marital community.

24 4. WILLIAM H. BAKER, JR. (a/k/a BILL BAKER) (“BAKER”) is an individual  
25 residing in Flagstaff, Arizona. From at least July 2003 to the present, BAKER has conducted  
26 business as AGRA’s Secretary, Treasurer, Chief Financial Officer, accountant and shareholder.

1           5.       PATRICIA M. BAKER was at relevant times the spouse of BAKER. PATRICIA M.  
2 BAKER is joined in this action under A.R.S. §44-2031(C) solely for purposes of determining the  
3 liability of the marital community. At all relevant times, BAKER and PATRICIA M. BAKER were  
4 acting for their own benefit, and for the benefit or in furtherance of the marital community.

5           6.       AGRA, PIERSON and BAKER may be referred to individually or, collectively, as  
6 “RESPONDENTS” as the context requires.

7           7.       SANDRA LEE PIERSON and PATRICIA M. BAKER are collectively referred to as  
8 “RESPONDENT SPOUSES” as the context requires.

9           8.       From July 23, 2003 through June 15, 2006, RESPONDENTS’ represented to  
10 offerees and investors that AGRA’s business operations were primarily originally based on  
11 agricultural mineral development, and later based on precious metal recovery and production.  
12 RESPONDENTS represented that AGRA owned 5 million of tons of Sheep Hill volcanic cinders  
13 near Flagstaff, Arizona. RESPONDENTS represented that AGRA’s precious metal processing  
14 facility was located in Flagstaff, Arizona (the “AGRA Plant”).

15           9.       Beginning in or about July 2003 through at least May of 2005, RESPONDENTS  
16 represented to offerees and investors that AGRA had acquired a non-traditional, “special”  
17 nanotechnology called the Galleon process that enabled them to extract extremely rare and valuable  
18 platinum group metals from the Sheep Hill volcanic cinders.

19           10.      According to RESPONDENTS, the Galleon process involved the use of  
20 hydrochloric acid, and “in-quart” platinum whereby AGRA placed rented or purchased platinum  
21 into a batch of Galleon processed volcanic cinders in an attempt to extract any platinum that may  
22 naturally occur in the cinders. By way of limited example, RESPONDENTS represented to  
23 offerees and investors from on or about July 2003 to the summer of 2006 that:

24           The company [AGRA] has studied several processes purported to be capable of  
25 recovering the precious metals identified in its [volcanic cinder] resources, but only  
26 in this past year as the process developed with Galleon Technology and  
Development Corp. **proven to be both economically feasible** and agriculturally  
compatible...Agra Tech is acquiring the technology preliminarily proven capable of

1 efficiently extracting the platinum group metals present and identified in its  
2 complex mineral reserves. **The company will** work with Galleon to finitely  
3 develop the environmentally friendly recovery processes, and **implement a**  
4 **commercially viable process** for the mineral resources. (Emphasis added)

5 11. Since at least July 2003 until the summer of 2006, RESPONDENTS represented to  
6 offerees and investors that the volcanic cinders contained rare and valuable precious metals such as  
7 platinum, gold, silver, and other platinum group metals in marketable quantities sufficient to justify  
8 their extraction using their purported precious metal recovery technologies and expertise on a: (a)  
9 commercially viable; (b) commercially feasible; (c) economically viable; (d) economically feasible;  
10 and (e) cost effective basis (collectively "cost effective basis").

11 12. From at least July 2003 until the summer of 2006, RESPONDENTS represented to  
12 offerees and investors through the dissemination of AGRA's solicitation materials that investors  
13 would realize a productive benefit from AGRA's precious metal generation in the early years. In  
14 these investor solicitation materials, AGRA represented that it expected to be capable of producing  
15 approximately 116,800 ounces of platinum at the AGRA Plant during its first year of operation  
16 and, based on production estimates, they expected to generate in excess of \$58,000,000 in revenue  
17 during its first year of operation.

18 13. The unregistered securities discussed below were purchased by investors based on  
19 RESPONDENTS' representations that they could obtain precious metals from the Sheep Hill  
20 volcanic cinders on a cost effective basis.

21 **A. THE UNREGISTERED ORE RIGHTS & MINING AGREEMENT SECURITIES.**

22 14. From at least July 2003 until the summer of 2006, RESPONDENTS offered and  
23 sold unregistered securities in the form of investment contracts called Ore Rights & Mining  
24 Agreements ("Units") within and from Arizona.

25 15. Under the Unit solicitation materials, an AGRA investor could invest \$10,000 to  
26 purchase a single Unit. According to RESPONDENTS, each Unit represented the right to the  
purported precious metal contained in "50 tons of platinum bearing ore for processing."

1           16.   RESPONDENTS represented that by using their precious metal recovery  
2 technologies and expertise, RESPONDENTS extracted and/or were able to extract approximately 1  
3 to 13 ounces of platinum from each ton of Sheep Hill volcanic cinders.

4           17.   RESPONDENTS' most often projected that recovery was 5 ounces of platinum per  
5 ton of volcanic cinders, or 250 ounces of platinum per Unit.

6           18.   AGRA failed to adequately warn that an investor might not earn any of the  
7 projected profits.

8           19.   AGRA failed to adequately disclose the risks associated with the Unit investments  
9 including, but not limited to, the fact that a potential Unit investor could lose all or a vast portion of  
10 their principal Unit investment amount. To the contrary, in October 2005, RESPONDENTS  
11 represented to offerees and investors that any risks associated with purchasing the Units were,  
12 "virtually zero," and had been "virtually eliminated."

13           20.   RESPONDENTS failed to disclose to their offerees and investors that  
14 approximately 25% of each purchased Unit was paid to AGRA's securities salespersons as  
15 commissions.

16           21.   RESPONDENTS paid sales commissions to their general agents and securities  
17 salesman for the sale of the Unit investments approximately totaling: (a) \$879,956 in 2003; (b)  
18 \$1,045,266 in 2004; (c) \$623,750 in 2005; and (d) \$110,000 in 2006.

19           22.   To date, RESPONDENTS have failed to provide any returns to the Unit investors.

20           23.   RESPONDENTS sold over 1,000 Units for approximately \$10,580,000 to  
21 approximately 200 different, widely disbursed investors residing in approximately 20 different  
22 states, including Arizona, and abroad.

23           24.   From at least July 2003 until the summer of 2006, the Unit investors' money  
24 represented AGRA's primary source of cash receipts or operating capital.

25 ...

26 ...

1 **B. THE BRIDGE LOAN WITH EQUITY STOCK SECURITIES.**

2  
3 25. In the fall of 2005, RESPONDENTS were aware that their precious metal recovery  
4 business was experiencing financial difficulties due, in part, to:

5 A. RESPONDENTS' failure to extract any precious metals from the Sheep Hill  
6 volcanic cinders on a cost effective basis using any processes or technologies;

7 B. RESPONDENTS' failure to pay investors any returns on their investments,  
8 including any principal, projected profits, stock dividends or any amount of precious  
9 metals, and the investors' resulting reluctance to invest additional money in the  
10 unregistered AGRA securities set forth herein;

11 C. The fact that RESPONDENTS' paid approximately \$2,658,972 in commissions to  
12 its salesmen, which sum represented 25% of the funds raised from the sale of  
13 securities.

14 26. Beginning from at least the fall of 2005, PIERSON and BAKER frequently  
15 described AGRA's financial problems with other AGRA officers, directors and employees in  
16 explicit detail.

17 27. In an effort to raise additional capital, RESPONDENTS caused to be offered and  
18 sold unsecured "bridge loan" investments within and from Arizona from at least the fall of 2005 to  
19 the summer of 2006 (the "Bridge Loan Investments").

20 28. The terms and conditions of the Bridge Loan Investments varied. In one instance, an  
21 investor invested \$10,000 in a 90 day Bridge Loan Investment for 20,000 shares of AGRA stock  
22 with no interest, effectively paid only \$.02 for each share of AGRA stock.

23 29. AGRA's Bridge Loan Investment solicitation materials fail to adequately disclose to  
24 offerees and investors that RESPONDENTS have not, to date, paid any dividends or other returns  
25 to AGRA stock investors.  
26

1           30.     AGRA's Bridge Loan investment solicitation materials failed to adequately disclose  
2 to offerees and investors risks associated with the Bridge Loan Investments including, but not  
3 limited to, the fact that a potential Bridge Loan investor could lose a vast portion of their principal  
4 Bridge Loan Investment and/or not make any profits, especially if they chose the equity stock  
5 option.

6           31.     RESPONDENTS offered and sold in excess of Two Hundred Thousand Dollars of  
7 the Bridge Loan Investments to investors. AGRA repaid \$30,000 to investors.

8     **C.     THE UNREGISTERED PLATINUM RENTAL AGREEMENT SECURITIES.**

9           32.     From February 2005 through January 2006, RESPONDENTS offered and sold  
10 unregistered securities in the form of "Platinum Rental Agreement" investment contracts within  
11 and from Arizona.

12           33.     A Platinum Rental Agreement investor could invest any substantial principal  
13 amount.

14           34.     The Platinum Rental Agreement investment did not have a termination date, and  
15 could be concluded by AGRA or the investor.

16           35.     Under the terms of these investments, RESPONDENTS promised: (a) to pay the  
17 investors approximately 1.6667% interest, compounded monthly on their principal investment  
18 amount, or approximately 21.939% per year; (b) return, at a minimum, the original principal  
19 investment amount on the termination of the investment; and/or (c) repay the investor the fair  
20 market value of all the rented platinum as of the date of the termination of the investment in the  
21 event the fair market value of the platinum had increased since the original investment date.

22           36.     AGRA's Platinum Rental Agreement solicitation materials fail to adequately  
23 disclose to offerees and investors the risks associated with the Platinum Rental Agreement  
24 investments including, but not limited to, the fact that a potential Platinum Rental Agreement  
25 investor could lose a large percentage of their principal investment amount and/or not make any of  
26 the promised profits.

1 37. RESPONDENTS have raised \$354,000 from the sale of the Platinum Rental  
2 Agreement investments to two known Arizona investors.

3 38. RESPONDENTS have not repaid all the promised profits or principal to their  
4 Platinum Rental Agreement investors. AGRA repaid \$76,468 to investors.

5 **D. RESPONDENTS' REPRESENTATIONS AND OMISSIONS REGARDING AGRA'S**  
6 **ABILITY TO EXTRACT MARKETABLE QUANTITIES OF PRECIOUS METALS**  
7 **FROM THE VOLCANIC CINDERS ON A COST EFFECTIVE BASIS.**

8 39. During AGRA Plant tours, PIERSON showed offerees and investors: (a) assay results  
9 that reflect the purported fact that the volcanic cinders contain platinum that can be extracted from the  
10 volcanic cinders on a cost effective basis; and (b) filters that were represented to have been used as  
11 part of the precious metals recovery process and that such filters contained precious metal extracted  
12 from the volcanic cinders.

13 40. Unbeknownst to offerees and investors, the platinum bars displayed in the Unit  
14 solicitation materials were not created from platinum extracted by AGRA from the Sheep Hill  
15 volcanic cinders.

16 41. Various December 2005 e-mails from a key AGRA offer and director to PIERSON  
17 and BAKER contain the following admissions: (a) that AGRA had, "not produced one single  
18 ounce of anything;" (b) with respect to their attempts to obtain investor money to alleviate  
19 AGRA's poor financial condition that, "[s]omeone coming in with \$2.5 [million] is going to look  
20 at the bottom line. That we have no revenue, no precious metal extracted, and a technology that  
21 may work... it makes no sense... [to invest in] a company with no proven technology, no revenue  
22 and very little assets...;" and (c) "if anyone with any brains looked at our company... the stock  
23 price would be around twenty five cents. You can't even get the Auditors to agree on what the  
24 company is valued at."

25 42. Despite RESPONDENTS' representations to the contrary, the Galleon process not  
26 only proved ineffective at extracting any precious metals from the Sheep Hill volcanic cinders, but



1 AGRA was actually unable to retrieve all of the in-quarted platinum during their purported  
2 precious metal recovery process, resulting in a net loss of the platinum.

3 43. By the summer of 2005, RESPONDENTS abandoned the Galleon process.

4 Thereafter, RESPONDENTS represented to offerees and investors that they developed or acquired  
5 other precious metal recovery technologies that enabled them to extract precious metals from the  
6 volcanic cinders which included, without limitation, a low temperature fusion (LTF) version of a  
7 Gill-Was process and a KMH (i.e., Kalahari Mining Holdings) process.

8 44. RESPONDENTS primarily focused their efforts on the KMH process after the  
9 failure of the Galleon process.

10 45. RESPONDENTS caused to be represented to offerees and investors that by using  
11 the KMH process, AGRA could extract marketable quantities of not only platinum from the  
12 cinders, but gold and silver as well.

13 46. At all times relevant, AGRA agents issued thousands of investment solicitations,  
14 often contained in so-called "Investor Updates," to offerees and investors. These almost monthly  
15 Investor Updates contained misleading representations that AGRA extracted, or was on the verge  
16 of extracting marketable quantities of precious metals, on a cost effective basis, from the volcanic  
17 cinders using various technologies.

18 47. To date, AGRA could not extract marketable quantities of any precious metals from  
19 the Sheep Hill volcanic cinders on a cost effective basis.

20 48. To date, RESPONDENTS have not processed any of the volcanic cinders purchased  
21 by any of the Unit investors or charged the Unit investors any money for processing their volcanic  
22 cinders.

23 49. To date, AGRA has not extracted any marketable quantities of platinum or other  
24 precious metals, such as gold and silver, from the Sheep Hill volcanic cinders using any precious  
25 metal recovery technology or expertise.

26



- 1 A. Failing to disclose to offerees and investors that AGRA's primary source of cash receipts  
2 or operating capital was Unit sale proceeds investor money, rather than the sale of any  
3 precious metals extracted from the Sheep Hill volcanic cinders;
- 4 B. Failing to disclose to offerees and investors that AGRA's precious metal recovery  
5 business has not generated a net profit from the sale of precious metals extracted from  
6 the volcanic cinders;
- 7 C. Failing to disclose to offerees and investors that 25% of each purchased Unit, or \$2,500,  
8 was paid to AGRA agents as commissions;
- 9 D. Failing to adequately disclose to offerees and investors any risks associated with the  
10 purchase of the AGRA Units, Bridge Loan and Platinum Rental Agreement investments  
11 including the fact that: (a) no person or entity has ever produced marketable quantities of  
12 precious metals from volcanic cinders using any processes or technology; and (b) that an  
13 investor could lose all or a large portion of their AGRA investment;
- 14 E. Representing to offerees and investors that AGRA's Sheep Hill volcanic cinders contained  
15 marketable quantities of platinum and other precious metals, such as gold and silver, that  
16 can be extracted on a cost effective basis;
- 17 F. Representing to offerees and investors that RESPONDENTS had extracted, or were on the  
18 verge of being able to extract platinum and other precious metals, such as gold and silver,  
19 from the volcanic cinders using their purported precious metal recovery technologies and  
20 expertise; and
- 21 G. Representing to offerees and investors that they could make substantial profits by  
22 purchasing the AGRA Unit, Bridge Loan Investment and Platinum Rental Agreement  
23 securities.

24 6. RESPONDENTS' conduct is grounds for a cease and desist order pursuant to  
25 A.R.S. § 44-2032.

26



1 remaining investors shown on the records of the Commission. Any funds that the Commission  
2 determines it is unable to or cannot feasibly disburse shall be transferred to the general fund of the  
3 state of Arizona.

4 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, AGRA shall pay an  
5 administrative penalty in the amount of \$250,000. Any amount outstanding on this administrative  
6 penalty amount shall accrue interest at the rate of 10% per annum from the date of this Order until  
7 paid in full.

8 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, PIERSON and SANDRA  
9 LEE PIERSON shall, jointly and severally, pay administrative penalty in the amount of \$100,000.  
10 Any amount outstanding on this administrative penalty amount shall accrue interest at the rate of  
11 10% per annum from the date of this Order until paid in full.

12 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, BAKER and PATRICIAL M.  
13 BAKER shall, jointly and severally, pay administrative penalty in the amount of \$100,000. Any  
14 amount outstanding on this administrative penalty amount shall accrue interest at the rate of 10%  
15 per annum from the date of this Order until paid in full.

16 The payment obligations for these administrative penalties shall be subordinate to any  
17 restitution obligations ordered herein and shall become immediately due and payable after  
18 restitution payments have been paid in full or upon any one of the RESPONDENTS or  
19 RESPONDENT SPOUSES' default with respect to their restitution obligations set forth herein.

20 For purposes of this Order, a bankruptcy filing by any one of the RESPONDENTS or  
21 RESPONDENT SPOUSES in which they attempt to discharge their obligations under this Order  
22 shall be an act of default. If any one of the RESPONDENTS or RESPONDENT SPOUSES does  
23 not comply with any provision of this Order, any outstanding balance ordered herein may be  
24 deemed in default and shall be immediately due and payable.

25 IT IS FURTHER ORDERED, that if any one of the RESPONDENTS or RESPONDENT  
26 SPOUSES fails to comply with this order, the Commission may bring further legal proceedings

1 against such RESPONDENTS or RESPONDENT SPOUSES, including an application to the  
2 superior court for an order of contempt.

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

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

5  
6   
7 CHAIRMAN

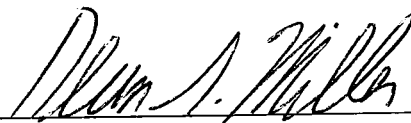
  
8 COMMISSIONER

9 COMMISSIONER

  
10 COMMISSIONER

  
11 COMMISSIONER

12 IN WITNESS WHEREOF, I, DEAN S. MILLER, Interim  
13 Executive Director of the Arizona Corporation  
14 Commission, have hereunto set my hand and caused the  
15 official seal of the Commission to be affixed at the  
16 Capitol, in the City of Phoenix, this 16<sup>th</sup> day of  
17 October, 2007.

18   
19 DEAN S. MILLER  
20 Interim Executive Director

21 \_\_\_\_\_  
22 DISSENT

23 \_\_\_\_\_  
24 DISSENT

25 This document is available in alternative formats by contacting Linda Hogan, Executive Assistant  
26 to the Executive Director, voice phone number 602-542-3931, E-mail [lhogan@azcc.gov](mailto:lhogan@azcc.gov).  
(JC)

**CONSENT TO ENTRY OF ORDER**

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1. AGRA TECHNOLOGIES, INC. (a/k/a ATI), a Nevada corporation ("AGRA") admits the jurisdiction of the Arizona Corporation Commission (the, "Commission") over the subject matter of this proceeding. AGRA acknowledges that it has been fully advised of their right to a hearing to present evidence and call witnesses and AGRA knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. AGRA acknowledges that this Order to Cease and Desist, Order of Restitution, Order for Administrative Penalties, Order for Other Affirmative Relief and Consent to Same ("Order") constitutes a valid final order of the Commission. AGRA acknowledges and agrees that the Order is incorporated herein by reference.

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

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

4. AGRA acknowledges that at all times relevant it has been represented by an attorney in this matter, namely Lonnie J. Williams, Jr. and Carrie M. Francis of the law firm of Quarles & Brady LLP, it has reviewed this Order with its attorney, and understands all terms it contains.

5. AGRA neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order. AGRA agrees that it shall not contest the validity of the Findings of Fact and Conclusions of Law contained in this Order in any present or future administrative proceeding before the Commission or any other state agency concerning the denial or issuance of any license or registration required by the State to engage in the practice of any business or profession.

1           6.     By consenting to the entry of this Order, AGRA agrees not to take any action or to  
2 make, or permit to be made, any public statement denying, directly or indirectly, any Finding of  
3 Fact or Conclusion of Law in this Order or creating the impression that this Order is without  
4 factual basis. Notwithstanding the foregoing, this Order is not intended to collaterally estop,  
5 factually bind or preclude AGRA from defending itself in any administrative, civil or criminal  
6 proceedings to which the Commission is not a party. AGRA will undertake steps necessary to  
7 assure that all of its agents and employees understand and comply with this agreement.

8           7.     While this Order settles this administrative matter between AGRA and the  
9 Commission, AGRA understands that this Order does not preclude the Commission from  
10 instituting other administrative or civil proceedings based on violations that are not addressed by  
11 this Order.

12           8.     AGRA understands that this Order does not preclude the Commission from  
13 referring this matter to any governmental agency or entity for administrative, civil, or criminal  
14 proceedings that may be related to the matters addressed by this Order.

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

18           10.    AGRA agrees that it will not apply to the state of Arizona for registration as a  
19 securities dealer or salesman until such time it has complied with all terms and conditions of this  
20 Order including, without limitation, the payment in full of all restitution and administration  
21 penalties, and any applicable annual interest set forth in this Order.

22           11.    AGRA agrees that it will not exercise any control over any entity that offers or sells  
23 securities within or from Arizona until such time it has complied with all terms and conditions of  
24 this Order including, without limitation, the payment in full of all restitution and administration  
25 penalties, and any applicable annual interest set forth in this Order.

26



1           12.    AGRA agrees that it will not sell any securities in or from Arizona without being  
2 properly registered in Arizona as a dealer or salesman, or exempt from such registration; it will not  
3 sell any securities in or from Arizona unless the securities are registered in Arizona or exempt  
4 from registration; and it will not transact business in Arizona as an investment adviser or an  
5 investment adviser representative unless properly licensed in Arizona or exempt from licensure.

6           13.    AGRA agrees that it will continue to cooperate with the Securities Division  
7 including, but not limited to, providing complete and accurate testimony at any hearing in this  
8 matter and cooperating with the state of Arizona in any related investigation or any other matters  
9 arising from the activities described in this Order.

10          14.    AGRA consents to the entry of this Order and agrees to be fully bound by its terms  
11 and conditions.

12          15.    AGRA acknowledges and understands that if it fails to comply with the provisions  
13 of the Order and this Consent, the Commission may bring further legal proceedings against it,  
14 including, without limitation, application to the superior court for an order of contempt.

15          16.    AGRA agrees that until all restitution and administrative penalties in this Order are  
16 paid in full, AGRA shall notify the Director of the Securities Division within 30 days of any  
17 change of address or any change in any of their ability to pay amounts due under this Order.

18          17.    AGRA understands that default shall necessarily render it liable to the Commission  
19 for its costs of collection and interest at the maximum legal rate.

20          18.    AGRA agrees and understands that if it fails to make any payment as required in  
21 this Order, any outstanding balance shall be in default and shall be immediately due and payable  
22 without notice or demand. AGRA agrees and understands that acceptance of any partial or late  
23 payment by the Commission is not a waiver of default by the Commission.

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**Agreed:** AGRA TECHNOLOGIES, INC., a Nevada corporation

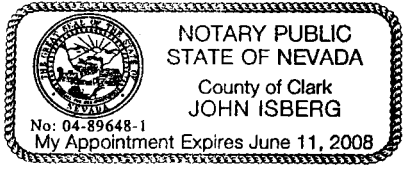
By: *William Jay Pierson*  
William Jay Pierson (a/k/a Bill Pierson)  
Its: President

STATE OF ~~ARIZONA~~ )  
                  NEVADA ) ss  
County of ~~Maricopa~~ )  
                  CLARK )

SUBSCRIBED AND SWORN TO BEFORE me this 25<sup>th</sup> day of September, 2007.

*John Isberg*  
NOTARY PUBLIC

My Commission Expires:  
6-11-08



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**CONSENT TO ENTRY OF ORDER**

3           1.     WILLIAM JAY PIERSON (a/k/a BILL PIERSON) (“RESPONDENT”) and  
4 SANDRA LEE PIERSON (a/k/a SANDY PIERSON) (“RESPONDENT SPOUSE”), husband and  
5 wife, admit the jurisdiction of the Arizona Corporation Commission (the, “Commission”) over the  
6 subject matter of this proceeding. RESPONDENT and RESPONDENT SPOUSE acknowledge  
7 that they have been fully advised of their right to a hearing to present evidence and call witnesses  
8 and the RESPONDENT and RESPONDENT SPOUSE knowingly and voluntarily waive any and  
9 all rights to a hearing before the Commission and all other rights otherwise available under Article  
10 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENT and  
11 RESPONDENT SPOUSE acknowledge that this Order to Cease and Desist, Order of Restitution,  
12 Order for Administrative Penalties, Order for Other Affirmative Relief and Consent to Same  
13 (“Order”) constitutes a valid final order of the Commission. RESPONDENT and RESPONDENT  
14 SPOUSE acknowledge and agree that the Order is incorporated herein by reference.

15           2.     RESPONDENT and RESPONDENT SPOUSE knowingly and voluntarily waive  
16 any right under Article 12 of the Securities Act to judicial review by any court by way of suit,  
17 appeal, or extraordinary relief resulting from the entry of this Order.

18           3.     RESPONDENT and RESPONDENT SPOUSE acknowledge and agree that this  
19 Order is entered into freely and voluntarily and that no promise was made or coercion used to  
20 induce such entry.

21           4.     RESPONDENT and RESPONDENT SPOUSE acknowledge that at all times  
22 relevant they have been represented by an attorney in this matter, namely Lonnie J. Williams, Jr.  
23 and Carrie M. Francis of the law firm of Quarles & Brady LLP, they have reviewed this Order  
24 with their attorney, and understand all terms it contains.

25           5.     RESPONDENT and RESPONDENT SPOUSE neither admit nor deny the Findings  
26 of Fact and Conclusions of Law contained in this Order. RESPONDENT and RESPONDENT

1 SPOUSE agree that they shall not contest the validity of the Findings of Fact and Conclusions of  
2 Law contained in this Order in any present or future administrative proceeding before the  
3 Commission or any other state agency concerning the denial or issuance of any license or  
4 registration required by the State to engage in the practice of any business or profession.

5 6. By consenting to the entry of this Order, the RESPONDENT and RESPONDENT  
6 SPOUSE agree not to take any action or to make, or permit to be made, any public statement  
7 denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating  
8 the impression that this Order is without factual basis. Notwithstanding the foregoing, this Order  
9 is not intended to collaterally estop, factually bind or preclude the RESPONDENT and  
10 RESPONDENT SPOUSE from defending themselves in any administrative, civil or criminal  
11 proceedings to which the Commission is not a party. RESPONDENT and RESPONDENT  
12 SPOUSE will undertake steps necessary to assure that all of their agents and employees understand  
13 and comply with this agreement.

14 7. While this Order settles this administrative matter between the RESPONDENT and  
15 RESPONDENT SPOUSE and the Commission, the RESPONDENT and RESPONDENT  
16 SPOUSE understand that this Order does not preclude the Commission from instituting other  
17 administrative or civil proceedings based on violations that are not addressed by this Order.

18 8. RESPONDENT and RESPONDENT SPOUSE understand that this Order does not  
19 preclude the Commission from referring this matter to any governmental agency or entity for  
20 administrative, civil, or criminal proceedings that may be related to the matters addressed by this  
21 Order.

22 9. RESPONDENT and RESPONDENT SPOUSE understand that this Order does not  
23 preclude any other agency or officer of the state of Arizona or its subdivisions from instituting  
24 administrative, civil, or criminal proceedings that may be related to any matters addressed by this  
25 Order.

26

1           10.    RESPONDENT and RESPONDENT SPOUSE agree that they will not apply to the  
2 state of Arizona for registration as a securities dealer or salesman until such time each of them  
3 have complied with all terms and conditions of this Order including, without limitation, the  
4 payment in full of all restitution and administration penalties, and any applicable annual interest set  
5 forth in this Order.

6           11.    RESPONDENT and RESPONDENT SPOUSE agree that they will not exercise any  
7 control over any entity that offers or sells securities within or from Arizona until such time each of  
8 them have complied with all terms and conditions of this Order including, without limitation, the  
9 payment in full of all restitution and administration penalties, and any applicable annual interest set  
10 forth in this Order.

11           12.    RESPONDENT and RESPONDENT SPOUSE agree that they will not sell any  
12 securities in or from Arizona without being properly registered in Arizona as a dealer or salesman,  
13 or exempt from such registration; they will not sell any securities in or from Arizona unless the  
14 securities are registered in Arizona or exempt from registration; and they will not transact business  
15 in Arizona as an investment adviser or an investment adviser representative unless properly  
16 licensed in Arizona or exempt from licensure.

17           13.    RESPONDENT and RESPONDENT SPOUSE agree that they will continue to  
18 cooperate with the Securities Division including, but not limited to, providing complete and  
19 accurate testimony at any hearing in this matter and cooperating with the state of Arizona in any  
20 related investigation or any other matters arising from the activities described in this Order.

21           14.    RESPONDENT and RESPONDENT SPOUSE acknowledge and agree that any  
22 restitution or administrative penalties imposed by this Order are obligations of each of them  
23 individually as well as their respective marital community.

24           15.    RESPONDENT and RESPONDENT SPOUSE consent to the entry of this Order  
25 and agree to be fully bound by its terms and conditions.  
26

1           16.     RESPONDENT and RESPONDENT SPOUSE acknowledge and understand that if  
2 they fail to comply with the provisions of the Order and this Consent, the Commission may bring  
3 further legal proceedings against them, including, without limitation, application to the superior  
4 court for an order of contempt.

5           17.     RESPONDENT and RESPONDENT SPOUSE agree that until all restitution and  
6 administrative penalties in this Order are paid in full, the RESPONDENT and RESPONDENT  
7 SPOUSE shall notify the Director of the Securities Division within 30 days of any change in home  
8 address or any change in any of their ability to pay amounts due under this Order.

9           18.     RESPONDENT and RESPONDENT SPOUSE understand that default shall  
10 necessarily render them liable to the Commission for its costs of collection and interest at the  
11 maximum legal rate.

12           19.     RESPONDENT and RESPONDENT SPOUSE agree and understand that if they  
13 fail to make any payment as required in this Order, any outstanding balance shall be in default and  
14 shall be immediately due and payable without notice or demand. RESPONDENT and  
15 RESPONDENT SPOUSE agree and understand that acceptance of any partial or late payment by  
16 the Commission is not a waiver of default by the Commission.

17           20.     WILLIAM JAY PIERSON (a/k/a BILL PIERSON) represents that he is the  
18 president of AGRA TECHNOLOGIES, INC. (a/k/a ATI), a Nevada corporation, ("AGRA") and  
19 has been authorized by AGRA to enter into this Order for and on behalf of it.

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Agreed: *William J. Pierson*  
William Jay Pierson (a/k/a Bill Pierson)

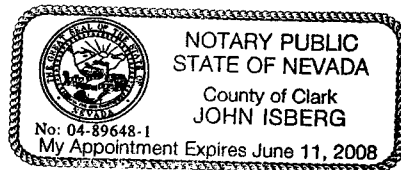
Agreed: *Sandra L Pierson*  
Sandra Lee Pierson (a/k/a Sandy Pierson)  
spouse of William Jay Pierson

STATE OF ~~ARIZONA~~ )  
          ~~NEVADA~~ ) ss  
County of ~~Maricopa~~ )  
          ~~CLARK~~ )

SUBSCRIBED AND SWORN TO BEFORE me this 25<sup>th</sup> day of September, 2007.

*John Isberg*  
NOTARY PUBLIC

My Commission Expires:  
6-11-08



**CONSENT TO ENTRY OF ORDER**

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3 1. WILLIAM H. BAKER, JR. (a/k/a BILL BAKER) ("RESPONDENT) and  
4 PATRICIA M. BAKER ("RESPONDENT SPOUSE"), husband and wife admit the jurisdiction of  
5 the Arizona Corporation Commission (the, "Commission") over the subject matter of this  
6 proceeding. RESPONDENT and RESPONDENT SPOUSE acknowledge that they have been  
7 fully advised of their right to a hearing to present evidence and call witnesses and the  
8 RESPONDENT and RESPONDENT SPOUSE knowingly and voluntarily waive any and all rights  
9 to a hearing before the Commission and all other rights otherwise available under Article 11 of the  
10 Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENT and  
11 RESPONDENT SPOUSE acknowledge that this Order to Cease and Desist, Order of Restitution,  
12 Order for Administrative Penalties, Order for Other Affirmative Relief and Consent to Same  
13 ("Order") constitutes a valid final order of the Commission. RESPONDENT and RESPONDENT  
14 SPOUSE acknowledge and agree that the Order is incorporated herein by reference.

15 2. RESPONDENT and RESPONDENT SPOUSE knowingly and voluntarily waive  
16 any right under Article 12 of the Securities Act to judicial review by any court by way of suit,  
17 appeal, or extraordinary relief resulting from the entry of this Order.

18 3. RESPONDENT and RESPONDENT SPOUSE acknowledge and agree that this  
19 Order is entered into freely and voluntarily and that no promise was made or coercion used to  
20 induce such entry.

21 4. RESPONDENT and RESPONDENT SPOUSE acknowledge that at all times  
22 relevant they have been represented by an attorney in this matter, namely Lonnie J. Williams, Jr.  
23 and Carrie M. Francis of the law firm of Quarles & Brady LLP, they have reviewed this Order  
24 with their attorney, and understand all terms it contains.

25 5. RESPONDENT and RESPONDENT SPOUSE neither admit nor deny the Findings  
26 of Fact and Conclusions of Law contained in this Order. RESPONDENT and RESPONDENT



1 SPOUSE agree that they shall not contest the validity of the Findings of Fact and Conclusions of  
2 Law contained in this Order in any present or future administrative proceeding before the  
3 Commission or any other state agency concerning the denial or issuance of any license or  
4 registration required by the State to engage in the practice of any business or profession.

5         6. By consenting to the entry of this Order, the RESPONDENT and RESPONDENT  
6 SPOUSE agree not to take any action or to make, or permit to be made, any public statement  
7 denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating  
8 the impression that this Order is without factual basis. Notwithstanding the foregoing, this Order  
9 is not intended to collaterally estop, factually bind or preclude the RESPONDENT and  
10 RESPONDENT SPOUSE from defending themselves in any administrative, civil or criminal  
11 proceedings to which the Commission is not a party. RESPONDENT and RESPONDENT  
12 SPOUSE will undertake steps necessary to assure that all of their agents and employees understand  
13 and comply with this agreement.

14         7. While this Order settles this administrative matter between the RESPONDENT and  
15 RESPONDENT SPOUSE and the Commission, the RESPONDENT and RESPONDENT  
16 SPOUSE understand that this Order does not preclude the Commission from instituting other  
17 administrative or civil proceedings based on violations that are not addressed by this Order.

18         8. RESPONDENT and RESPONDENT SPOUSE understand that this Order does not  
19 preclude the Commission from referring this matter to any governmental agency or entity for  
20 administrative, civil, or criminal proceedings that may be related to the matters addressed by this  
21 Order.

22         9. RESPONDENT and RESPONDENT SPOUSE understand that this Order does not  
23 preclude any other agency or officer of the state of Arizona or its subdivisions from instituting  
24 administrative, civil, or criminal proceedings that may be related to any matters addressed by this  
25 Order.

26

1           10.     RESPONDENT and RESPONDENT SPOUSE agree that they will not apply to the  
2 state of Arizona for registration as a securities dealer or salesman until such time each of them  
3 have complied with all terms and conditions of this Order including, without limitation, the  
4 payment in full of all restitution and administration penalties, and any applicable annual interest set  
5 forth in this Order.

6           11.     RESPONDENT and RESPONDENT SPOUSE agree that they will not exercise any  
7 control over any entity that offers or sells securities within or from Arizona until such time each of  
8 them have complied with all terms and conditions of this Order including, without limitation, the  
9 payment in full of all restitution and administration penalties, and any applicable annual interest set  
10 forth in this Order.

11           12.     RESPONDENT and RESPONDENT SPOUSE agree that they will not sell any  
12 securities in or from Arizona without being properly registered in Arizona as a dealer or salesman,  
13 or exempt from such registration; they will not sell any securities in or from Arizona unless the  
14 securities are registered in Arizona or exempt from registration; and they will not transact business  
15 in Arizona as an investment adviser or an investment adviser representative unless properly  
16 licensed in Arizona or exempt from licensure.

17           13.     RESPONDENT and RESPONDENT SPOUSE agree that they will continue to  
18 cooperate with the Securities Division including, but not limited to, providing complete and  
19 accurate testimony at any hearing in this matter and cooperating with the state of Arizona in any  
20 related investigation or any other matters arising from the activities described in this Order.

21           14.     RESPONDENT and RESPONDENT SPOUSE acknowledge and agree that any  
22 restitution or administrative penalties imposed by this Order are obligations of each of them  
23 individually as well as their respective marital community.

24           15.     RESPONDENT and RESPONDENT SPOUSE consent to the entry of this Order  
25 and agree to be fully bound by its terms and conditions.  
26

1           16.     RESPONDENT and RESPONDENT SPOUSE acknowledge and understand that if  
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6 administrative penalties in this Order are paid in full, the RESPONDENT and RESPONDENT  
7 SPOUSE and/or each of them shall notify the Director of the Securities Division within 30 days of  
8 any change in home address or any change in any of their ability to pay amounts due under this  
9 Order.

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15 shall be immediately due and payable without notice or demand. RESPONDENT and  
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17 the Commission is not a waiver of default by the Commission.

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