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COMMISSIONER

MARC SPITZER
COMMISSIONER

OPEN MEETING ITEM 4/3



ORIGINAL

BRIAN C. McNEIL
EXECUTIVE SECRETARY

MARK SENDROW
DIRECTOR

ARIZONA CORPORATION COMMISSION

SECURITIES DIVISION
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Phoenix, AZ 85007-2996
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MEMORANDUM

AZ CORP COMMISSION
DOCUMENT CONTROL

2001 MAY 29 A 11: 27

RECEIVED

TO: Chairman William A. Mundell
Commissioner Jim Irvin
Commissioner Marc Spitzer

Arizona Corporation Commission
DOCKETED

FROM: Mark Sendrow *MS*
Director of Securities

OPEN MEETING ITEM

DATE: May 29, 2001

RE: Wendell T. ("Ted") Decker, et al., Docket No. S-03353A-01-0000

CC: Brian C. McNeil, Executive Secretary

DOCKETED BY *sd*

Attached is a proposed Order to Cease and Desist, Order of Restitution, Order for Administrative Penalties and Consent to Same ("Order"), fully executed by Respondents Wendell T. ("Ted") Decker and Oxford Development, LLC. ("Respondents"). Respondents have consented to entry of the proposed Order, finding Securities Act violations including the sale of unregistered and non-exempt securities, by unregistered dealers and salesmen, and fraud in the offer and sale of securities.

From in or around 1995 through 1999, Respondents offered and sold unregistered securities in the form of promissory notes within and from Arizona. The investors' funds were to be used for interim financing for the development of an outlet mall in Dacono, Colorado.

On December 28, 2000, the Securities Division ("Division") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties and for Other Affirmative Action, alleging that Respondents engaged in the sale of unregistered securities, by unregistered dealers or salesmen, and securities fraud, in violation of A.R.S. §§ 44-1841, 44-1842 and 44-1991.

Respondents have consented to an Order of restitution in the amount of \$5,286,160, plus interest from the date of the investments, and administrative penalties in the amount of \$50,000. In addition, Respondents have agreed not to apply for any registration as a securities salesman or dealer or licensure as an investment adviser or investment adviser representative in Arizona for at least five years and until all restitution and penalties are paid in accordance with the Order.

Memorandum to Commissioners

May 29, 2001

Page Two

Pursuant to the requests of the Commission at the last Open Meeting, Respondents have agreed to the following revisions to the proposed Order:

- The Order includes a provision that Respondents shall not, individually or on behalf of other entities, direct or give consent to any transfer of development rights associated with the Dacono Project property, including, but not limited to, tax credits or municipal bond financing, unless the agreement for such transfer of rights provides that funds equal to full restitution as set forth in this Order shall be placed in escrow for the benefit of all Note investors.
- The Respondents agreed that they understand that nothing in this Order relieves them of any obligation or responsibility that they have to their investors or clients outside of this Order.

MS: ptj

w/ attachments

Originator: Pamela T. Johnson

Assistant Attorney General Assigned: Moira McCarthy

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BEFORE THE ARIZONA CORPORATION COMMISSION

OPEN MEETING ITEM

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of

CHARLES RAY STEDMAN
3001 East Frontage Road
Amado, AZ 85629

WENDELL T. DECKER, JR.
5249 N. Adobe Circle
Tucson, AZ 85750

OXFORD DEVELOPMENT, L.L.C.
5249 North Adobe Circle
Tucson, AZ 85750

PROFUTURA, L.L.C.
P.O. Box 4252
Tubac, AZ 85646

CNT FAMILY FUN OUTLETS, INC.
One East First Street
Reno, NV 89501

CHARLES W. TESTINO, JR.
3656 E. Windy Point Dr.
Tucson, AZ 85718
CRD#1216651

ARIZONA INVESTMENT ADVISORS, INC.
2920 North Swan Road, Suite 206
Tucson, AZ 85712

KEITH B. "SKIP" DAVIS
6550 North Silversmith Place
Tucson, AZ 85750

SPY GLASS ENTERPRISES L.L.C.
6550 North Silversmith Place
Tucson, AZ 85750

KEITH B. DAVIS, INC.
6550 North Silversmith Place
Tucson, AZ 85750,

Respondents.

DOCKET NO. S-03353A-01-0000

DECISION NO. _____

**ORDER TO CEASE AND DESIST,
ORDER OF RESTITUTION, ORDER
FOR ADMINISTRATIVE PENALTIES
AND CONSENT TO SAME
BY: RESPONDENTS
WENDELL T. DECKER, JR.,
OXFORD DEVELOPMENT, L.L.C.
CNT FAMILY FUN OUTLETS, INC.**

1 RESPONDENTS WENDELL T. DECKER, JR. (DECKER), OXFORD DEVELOPMENT,
 2 L.L.C. (OXFORD), and CNT FAMILY FUN OUTLETS, INC. (CNT) (RESPONDENTS) elect to
 3 permanently waive their right to a hearing and appeal under Articles 11 and 12 of the Securities Act
 4 of Arizona, A.R.S. § 44-1801, *et seq.* ("Securities Act") with respect to this Order To Cease and
 5 Desist, Order of Restitution, Order for Administrative Penalties and Consent to Same ("Order").
 6 RESPONDENTS admit the jurisdiction of the Arizona Corporation Commission ("Commission");
 7 admit only for purposes of this proceeding and any other administrative proceedings before the
 8 Commission or any other agency of the State of Arizona the Findings of Fact and Conclusions of
 9 Law contained in this Order; and consent to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

12 1. CHARLES RAY STEDMAN ("STEDMAN") is an individual, whose last known
 13 address is 3001 East Frontage Road, Amado, Arizona, 85629. STEDMAN was at all pertinent times
 14 managing member of PROFUTURA, L.L.C. Beginning in or around 1995, STEDMAN signed, as
 15 "Maker", promissory notes (Notes) issued to private investors. In an unrelated matter, on January 21,
 16 1994, the National Association of Securities Dealers (NASD) censured STEDMAN, barred
 17 STEDMAN from associating with any NASD member in any capacity, and fined STEDMAN
 18 \$20,000, for conduct "inconsistent with just and equitable principles of trade."

19 2. PROFUTURA, L.L.C. ("PROFUTURA") is an Arizona limited liability company
 20 organized on March 5, 1993. Its principal place of business is P.O. Box 4252, 190 Tubac Road, Suite
 21 500, Tubac, Arizona, 85646. At all pertinent times, PROFUTURA was a member of OXFORD, and
 22 is signatory to the Notes, through its managing member STEDMAN.

23 3. DECKER is an individual, whose last known address is 5249 North Adobe Circle,
 24 Tucson, Arizona, 85750. DECKER was at all pertinent times a developer, who planned an outlet
 25 mall development in or near Dacono, Colorado (the Dacono Project). DECKER signed Notes issued
 26 to private investors, as managing member of OXFORD.

1 4. OXFORD is an Arizona limited liability company organized on March 24, 1993. Its
2 principal place of business is 5249 North Adobe Circle, Tucson, Arizona, 85750. At all pertinent
3 times, OXFORD was the recorded owner of grassland property, which was to be the site for an outlet
4 mall (the Dacono Project property). The Dacono Project property was represented as collateral for
5 most of the Notes issued to investors. OXFORD is signatory to the Notes, through its managing
6 member DECKER.

7 5. CNT is a Nevada corporation incorporated on June 19, 1996. DECKER is its
8 President and Director. STEDMAN is its Secretary/Treasurer and Director. Its resident agent is
9 located at One East First Street, Reno, Nevada, 89501. CNT is signatory to the Notes, through its
10 president DECKER.

11 6. In approximately 1993, STEDMAN and DECKER agreed that PROFUTURA was to
12 contribute funds in the amount of \$650,000 to \$1,000,000 to OXFORD in exchange for an equity
13 interest in the Dacono Project.

14 7. In approximately March 1996, after the project owners had exhausted their personal
15 sources of funds and were still seeking construction financing, DECKER and STEDMAN approached
16 KEITH B. "SKIP" DAVIS (DAVIS) to use the Notes to raise \$600,000 from private investors for
17 interim financing to keep the project moving until the project owners could close on a construction
18 loan in late 1996.

19 8. In or around July 1996, DAVIS approached CHARLES W. TESTINO, JR.
20 (TESTINO) to assist in soliciting private investor funds for the Dacono Project to keep the project
21 "alive" until the principals could secure funding.

22 9. The principals of the project, DECKER and STEDMAN, authorized DAVIS and
23 TESTINO to use the Notes to raise funds from private investors, and agreed to pay commissions of
24 10% of all investor funds secured, and an equity interest in the project.

25 10. Most, but not all, of the Notes were to be secured by deeds of trust filed in Weld
26 County on the Dacono Project property described as follows:

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A tract of land located in the South Half (S1/2) of Section Fourteen (14), Township One (1) North, Range Sixty-eight (68) West of the Sixth (6th) Principal Meridian, County of Weld, State of Colorado, being more particularly described as follows:

Considering the South line of the Southwest Quarter (SW/4) of said Section 14 as bearing North 88°57'30" East from a 3 1/4" aluminum cap at the Southwest corner of said Section 14 to a 3 1/4" aluminum cap at the South Quarter corner of said Section 14 and with all bearings contained herein relative thereto:

Commencing at the Southwest corner of said Section 14; thence along said South line, North 88°57'30" East, 440.10 feet; thence, North 01°02'30" West, 30.00 feet to the POINT OF BEGINNING, said point being on the East line of Interstate 25;

thence along said East line the following 3 courses, North 79°41'00" West, 203.10 feet; thence, North 08°14'30" West, 943.60 feet; thence, North 00°17'30" East, 914.78 feet to a point on the South right-of-way line of the Union Pacific Railroad Company;

thence, along said South right-of-way line the following 6 courses, South 78°47'56" East, 165.34 feet to a point on a curve concave to the North having a central angle of 11°44'53", a radius of 1886.98 feet and the chord of which bears South 84°40'23" East, 386.23 feet; thence, along the arc of said curve 386.91 feet; thence, North 89°27'11" East, 467.86 feet to a point on a curve concave to the Southwest having a central angle of 54°53'25", a radius of 1839.60 feet and the chord of which bears South 63°06'07" East, 1695.74 feet; thence, along the arc of said curve 1762.37 feet; thence, South 35°39'24" East, 674.84 feet to a point on a curve concave to the Northeast having a central angle of 11°56'40", a radius of 2902.76 feet and the chord of which bears South 41°37'44" East, 604.04 feet; thence along the arc of said curve 605.14 feet to a point on the North line of County Road 8;

thence along said North line, South 88°57'03" West, 788.41 feet; thence continuing along said North line, South 88°57'30" West, 2203.18 feet to the Point of Beginning.

11. DECKER and STEDMAN's plan was that STEDMAN would sign all of the Notes as "Maker" and be personally liable to investors; the borrowed funds would be transferred to PROFUTURA to loan to OXFORD to cover costs necessary to obtain construction financing for the project; OXFORD would pledge the Dacono Project property as security for most, but not all, of the Notes and would pay STEDMAN's obligations to investors, including the interest on the Notes; and DECKER would determine what portions of the Dacono Project property would be used to secure most, but not all, of the Notes.

1 12. From approximately January 1995 through December 1999, RESPONDENTS issued
2 approximately 124 Notes to approximately 110 private investors, raising approximately \$5,286,160
3 from private investors.

4 13. Investors were told that their funds were to be used for interim financing until
5 construction financing was in place to develop a project described as the Dacono Factory Outlet
6 Stores or the Dacono Factory Outlet Mall and Sports Arena, and that their Notes would be paid upon
7 the due date or at the close of the construction financing.

8 14. Up until around April 1999, Notes sold to private investors were titled
9 "PROMISSORY NOTE SECURED BY DEED OF TRUST," and stated that the Notes and any
10 renewal or extension of the Notes were secured by a percent of the undivided interest in a deed of
11 trust on the Dacono Project property owned by OXFORD. In fact, from the inception of the project to
12 date, not all of the private investors who received notes described as "secured by deed of trust" were
13 beneficiaries of any recorded interests in the Dacono Project property.

14 15. As part of the paperwork for the Notes, investors were required to sign form letters
15 addressed to STEDMAN, which the promoters called "Big Boy Letters." The letters stated that the
16 investors were accredited investors, defined as investors whose net worth was over \$1,000,000, or
17 whose income was at least \$200,000 for the two years prior to investment.

18 16. The interest rates on most of the Notes varied from 15% to 20% per annum. From
19 1995 through around September 1997, the term of the Notes was one year. Because obtaining
20 construction financing was delayed, in or around September 1997, the term of most of the Notes was
21 reduced to 90 days, and existing Notes, including interest, were rolled over or renewed at the end of
22 their terms. RESPONDENTS continued to attempt to obtain construction financing and believed, and
23 told investors, that such financing would be in place within a short period of time.

24 17. DECKER offered DAVIS 10% commissions on rollovers, and TESTINO was to be
25 paid 5% commissions, for their efforts to keep investors, pending construction financing. By August
26 2000, some of the Notes had been rolled over eighteen times.

1 18. In December 1998, one investor protested that the deed of trust that was supposed to
 2 secure his Note was never recorded. RESPONDENTS continued to sell the Notes to new private
 3 investors. In or around April 1999, RESPONDENTS started to offer and sell "unsecured" Notes to
 4 new private investors.

5 19. According to OXFORD's accounting records, the total principal amount due on
 6 outstanding Notes issued to private investors was approximately \$5,002,082 on or about May 31,
 7 2000. At that time, the total due including interest on those notes was approximately \$22,166,000.

8 20. From 1993 to this date, DECKER continuously has attempted to obtain construction
 9 financing for the Dacono Project, dealing with a number of prospective lenders.

10 21. DECKER and STEDMAN secured tax benefits for the Dacono Project through a local
 11 election in Colorado. The tax benefits that were approved by the election would increase the value of
 12 the Dacono Project property, if the project was constructed within a certain time period.

13 22. In connection with the offer or sale of securities within or from Arizona,
 14 RESPONDENTS directly or indirectly made untrue statements of material fact or omitted to state
 15 material facts which were necessary in order to make the statements made not misleading in light of
 16 the circumstances under which they were made. RESPONDENTS' conduct includes, but is not
 17 limited to, the following:

18 a) Representing that the investment was a short-term loan and investors would be paid in
 19 full at the close of that loan, when in fact there were a series of construction loan
 20 letters of interest and commitment letters that never materialized and, to date, the
 21 principals have not succeeded in negotiating construction financing for the project.

22 b) Representing until at least April 1999, that the Notes, and any extensions, renewals or
 23 rollovers of the Notes, were secured by a recorded interest in a deed of trust on a
 24 portion of the Dacono Project property located in Weld County, Colorado and owned
 25 by OXFORD and that the total of all loans secured by Lot 6 would not exceed one
 26 million dollars. In fact, not all of the original investors in 1996 and early 1997, and

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none of the new investors in 1998 and 1999 were named as beneficiaries on recorded deeds of trust, the total of all loans misrepresented as secured by Lot 6 was substantially in excess of one million dollars, and the property that was supposed to be pledged to private investors was utilized instead as security to obtain financing from institutional "bridge" lenders.

- c) Representing that investor funds were to be used for interim financing. Specifically, investor funds were used primarily for attorney fees and loan fees for failed funding attempts, attempts to obtain tax benefits for the future owners of the project, redeeming prior investors' defaulted Notes, interest payments to early investors with secured loans, profits to bridge lenders, DECKER's living expenses, and DECKER's and STEDMAN's travel expenses.
- d) Failing to disclose the risks involved with this development project, specifically, the uncertainty of getting construction financing, the repeated failed attempts to obtain construction financing and bond funding, the costs of attempts to obtain financing, and STEDMAN's inability to repay the Notes, if construction financing was not secured.
- e) Failing to disclose to new investors that earlier investors were forced to accept rollover Notes because STEDMAN and OXFORD could not pay the Notes when due, and the total debt owed to prior investors, including interest on defaulted Notes, and the increasing commissions owed to DAVIS and TESTINO resulting from rollovers.
- f) Failing to disclose the background and financial condition of the principals and the project, including but not limited to the following:
 - (1) That DECKER filed bankruptcy in 1989.
 - (2) That on January 21, 1994, the NASD censured STEDMAN, barred STEDMAN from associating with any NASD member in any capacity, and fined STEDMAN \$20,000, for conduct "inconsistent with just and

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equitable principles of trade," because STEDMAN had failed to timely and fully respond to a request for information from the NASD concerning a complaint alleging that he had misappropriated \$175,000 from the customer's account.

(3) That TESTINO was terminated on September 15, 1998, by his former dealer, SunAmerica Securities, Inc. ("SAS"), upon allegations relating to his sale of these Notes, specifically, that "Without SAS knowledge or approval, Testino facilitated the lending of money via promissory notes from a number of individuals to a person who was subsequently determined by the firm to be subject to an industry bar;" and that TESTINO was under investigation by the NASD for violations of NASD Rules as a result of his unauthorized activity.

g) Failing to disclose that RESPONDENTS were selling the Notes to investors who were not accredited investors.

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. RESPONDENTS 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. RESPONDENTS violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.
4. RESPONDENTS violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.
5. RESPONDENTS violated A.R.S. § 44-1991 by offering or selling securities within or from Arizona by making untrue statements or misleading omissions of material facts necessary in

1 order to make the statements made, in the light of the circumstances under which they were made,
2 not misleading.

3 6. RESPONDENTS' conduct is grounds for a cease and desist order pursuant to A.R.S. §
4 44-2032.

5 7. RESPONDENTS' conduct is grounds for an order of restitution pursuant to A.R.S. § 44-
6 2032.

7 8. RESPONDENTS' conduct is grounds for administrative penalties under A.R.S. § 44-
8 2036.

9 III.

10 ORDER

11 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and the
12 RESPONDENTS' consent to the entry of this Order, the Commission finds that the following relief
13 is appropriate, in the public interest, and necessary for the protection of investors:

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

16 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall,
17 jointly and severally, pay restitution to investors shown on the records of the Commission in the
18 amount of no less than \$5,286,160, plus interest at the rate of 10% per annum from the date of each
19 investment until paid in full, to be reduced by any distribution payments made to date. If additional
20 investments in Notes are later discovered, RESPONDENTS shall pay claims of those investors
21 under the terms of this Order. Payment shall be made by cashier's check or money order payable to
22 the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the
23 Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata
24 basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state
25 of Arizona.

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1 IT IS FURTHER ORDERED that, until full restitution is made to all Note investors,
 2 RESPONDENTS shall subordinate all rights and interests in the Dacono Project property, described
 3 in paragraph 10 above, and any contractual rights and interests to income or payment from the
 4 development and/or sale of the Dacono Project property.

5 IT IS FURTHER ORDERED that RESPONDENTS shall not, individually or on behalf of
 6 other entities, direct or give consent to any transfer of development rights associated with the
 7 Dacono Project property, including, but not limited to, tax credits or municipal bond financing,
 8 unless the agreement for such transfer of rights provides that funds equal to full restitution as set
 9 forth in this Order shall be placed in escrow for the benefit of all Note investors.

10 IT IS FURTHER ORDERED that RESPONDENTS shall notify the Commission of any
 11 change in ownership of the Dacono Project property; any change in liens on the property; and the
 12 opening or closing of any escrow for funding a construction loan or for sale of the Dacono Project or
 13 the Dacono Project property. In addition, if construction of the project commences, RESPONDENTS
 14 shall provide the Commission quarterly reports reflecting all expenses related to the property and the
 15 project.

16 IT IS FURTHER ORDERED that the Commission shall retain jurisdiction in this matter to
 17 investigate the activities of the RESPONDENTS pursuant to A.R.S. § 44-1822 to address issues
 18 relating to restitution in accordance with A.R.S. § 44-2032.

19 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that DECKER, OXFORD, and
 20 CNT, jointly and severally, shall pay administrative penalties in the amount of \$50,000. Payment

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1 shall be made in full by cashier's check or money order on the date of this Order, payable to the
 2 "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from
 3 the date of this Order until paid in full.

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

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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 8 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 Capitol,
 13 in the City of Phoenix, this _____ day of June, 2001.

14 _____
 15 BRIAN C. McNEIL
 16 Executive Secretary

17 _____
 18 DISSENT

19 This document is available in alternative formats by contacting Shelly M. Hood, ADA Coordinator,
 20 voice phone number 602-542-3931, E-mail shood@cc.state.az.us.

21 PTJ

CONSENT TO ENTRY OF ORDER

1
 2 1. RESPONDENTS admit the jurisdiction of the Commission over the subject matter of
 3 this proceeding. RESPONDENTS acknowledge that they have been fully advised of their right to a
 4 hearing to present evidence and call witnesses and RESPONDENTS knowingly and voluntarily
 5 waive any and all rights to a hearing before the Commission and all other rights otherwise available
 6 under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code.
 7 RESPONDENTS acknowledge that this Order To Cease And Desist, Order for Restitution, Order
 8 for Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the
 9 Commission.

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

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

15 4. RESPONDENTS acknowledge that they have been represented by counsel in this matter,
 16 have reviewed this Order with their attorneys and understand all terms it contains.

17 5. RESPONDENTS admit only for purposes of this proceeding and any other
 18 administrative proceedings before the Commission or administrative proceedings before any other
 19 agency of the State of Arizona the Findings of Fact and Conclusions of Law contained in this Order.

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

25 7. RESPONDENTS agree to take all steps necessary to subordinate all of their rights and
 26 interests, both currently existing or existing in the future, in the Dacono Project property, described

1 in paragraph 10 of the Order, to the investors shown on the records of the Commission.
 2 RESPONDENTS further agree to take all steps necessary to subordinate all of their contractual
 3 rights and interests, both currently existing or existing in the future, related to the development
 4 project known as the Dacono Factory Stores and located near Dacono, Weld County, Colorado, to
 5 the investors shown on the records of the Commission.

6 8. RESPONDENTS understand that nothing in this Order relieves them of any obligation or
 7 responsibility that they have to their investors or clients outside of this Order.

8 9. While this Order settles this administrative matter between RESPONDENTS and the
 9 Commission, RESPONDENTS understand that this Order does not preclude the Commission from
 10 instituting other administrative proceedings based on violations that are not addressed by this Order.

11 10. RESPONDENTS understand that this Order does not preclude the Commission from
 12 referring this matter to any governmental agency for administrative, civil, or criminal proceedings
 13 that may be related to the matters addressed by this Order.

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

17 12. RESPONDENTS agree that they will not apply to the state of Arizona for registration as
 18 a securities dealer or salesman or for licensure as an investment adviser or investment adviser
 19 representative at any time in the future.

20 13. RESPONDENTS agree that they will not exercise any control over any entity that offers
 21 or sells securities or provides investment advisory services, within or from Arizona.

22 14. RESPONDENTS agree that until restitution and penalties are paid in full,
 23 RESPONDENTS will notify the Director of the Securities Division within 30 days of any change in
 24 home address or any change in RESPONDENTS' ability to pay amounts due under this Order.

25 15. RESPONDENTS understand that default shall render them liable to the Commission for
 26 its costs of collection and interest at the maximum legal rate.

1 16. RESPONDENTS agree that they will continue to cooperate with the Securities Division
 2 including, but not limited to, providing complete and accurate testimony at any hearing in this
 3 matter and cooperating with the state of Arizona in any related investigation or any other matters
 4 arising from the activities described in this Order.

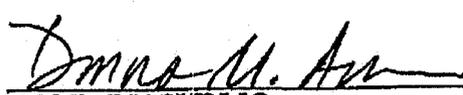
5 17. RESPONDENTS consent to the entry of this Order and agree to be fully bound by its
 6 terms and conditions. If RESPONDENTS breach any provision of this Order, the Commission may
 7 vacate this Order and restore this case to its active docket.

8 18. This agreement and Order shall be binding upon RESPONDENTS' officers, directors,
 9 agents, heirs, employees, assigns, representatives, beneficiaries or other successors in interest of any
 10 kind.

11 19. DECKER represents that he is Managing Member of OXFORD, and President of CNT,
 12 and has been authorized by OXFORD and CNT to enter into this Order for and on behalf of them.

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 16 _____
 WENDELL T. DECKER, JR.

17 SUBSCRIBED AND SWORN TO BEFORE me this 25th day of May, 2001.

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 NOTARY PUBLIC

20 My Commission Expires:
 21 Jan 14, 2005



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OXFORD DEVELOPMENT, L.L.C.

Wendell T. Decker, Jr.
By: Wendell T. Decker, Jr., Managing Member

SUBSCRIBED AND SWORN TO BEFORE me this 25th day of May, 2001.

Donna M. Aversa
NOTARY PUBLIC

My Commission Expires:
Jan 14, 2001



CNT FAMILY FUN OUTLETS, INC.

Wendell T. Decker, Jr.
By: Wendell T. Decker, Jr., President

SUBSCRIBED AND SWORN TO BEFORE me this 28th day of May, 2001.

Donna M. Aversa
NOTARY PUBLIC

My Commission Expires:
Jan 14, 2001

