0000117536

Transcript Exhibit(s)

Docket #(s): S-03439A-00-0000

Exhibit # : S1-S24, S27-S33, R1

STATE OF ARIZONA

Corporation Commission

To all to Whom these Presents shall Come, Greeting:

I, VICTOR RODARTE, Assistant Director of Securities of the Arizona Corporation Commission, do hereby certify that I am a public officer having official duties with said Commission and having legal custody of the records of said Division and that I have caused to be made, under my direction, a diligent search of the records of the Securities Division of the Arizona Corporation Commission and said search discloses that during the period of November 20, 1998 to the present, Philip Allen Lehman has been registered with the Arizona Corporation Commission as a securities salesman pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or been licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*).

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 17th DAY OF May, 2001 A.D.

BY Victor Rodarte
VICTOR RODARTE, Assistant Director of Securities

EXHIBIT
S-1
Adm.

Certificate of registration - Philip Lehman

STATE OF ARIZONA

Corporation Commission

To all to Whom these Presents shall Come, Greeting:

I, VICTOR RODARTE, Assistant Director of Securities of the Arizona Corporation Commission, do hereby certify that I am a public officer having official duties with said Commission and having legal custody of the records of said Division and that I have caused to be made, under my direction, a diligent search of the records of the Securities Division of the Arizona Corporation Commission and said search discloses that during the period of January 6, 1998 to the present, Tower Equities, Inc. has been registered with the Arizona Corporation Commission as a securities dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or been licensed with the Arizona Corporation Commission as an investment adviser pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*).

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 17th DAY OF May, 2001 A.D.

BY Victor Rodarte
VICTOR RODARTE, Assistant Director of Securities

EXHIBIT
S-2
Adm.

Certificate of registration - Tower Equities

STATE OF ARIZONA

Corporation Commission

To all to Whom these Presents shall Come, Greeting:

I, VICTOR RODARTE, Assistant Director of Securities of the Arizona Corporation Commission, do hereby certify that I am a public officer having official duties with said Commission and having legal custody of the records of said Division and that I have caused to be made, under my direction, a diligent search of the records of the Securities Division of the Arizona Corporation Commission and said search discloses that during the period of February 1997 to the present, Sara Ann Merrick has not been registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or been licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*).

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 17TH DAY OF MAY, 2001 A.D.

BY Victor Rodarte
VICTOR RODARTE, Assistant Director of Securities

EXHIBIT
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Adm.

Certificate of nonregistration - Sarah Merrick

Registrations Summary

Individual CRD#: 1345038	Individual Name: LEHMAN, PHILIP A

Current Firm(s):

Registrations Summary With Current Employers

Individual CRD#: 1345038	Individual Name: LEHMAN, PHILIP A

Firm Name	Firm CRD	Start Date	SFG Member
TOWER EQUITIES, INC.	16195	04/1984	N

Prior Firm(s):

Registrations Summary With Prior Employers

Individual CRD#: 1345038	Individual Name: LEHMAN, PHILIP A

⚠ No Prior Employers Found

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Registrations with Current Employers

Individual CRD#: 1345038	Individual Name: LEHMAN, PHILIP A
Firm CRD # : 16195	Firm Name : TOWER EQUITIES, INC.

Employment Start Date	04/01/1984

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
NASD	DP	07/05/1999	09/07/2000	SUSPENSION	05/07/1985
NASD	DR	07/05/1999	09/07/2000	SUSPENSION	05/07/1985
NASD	FN	07/05/1999	04/16/1990	PURGED	
NASD	GS	07/05/1999	04/13/1998	PURGED	
NASD	IP	07/05/1999	09/07/2000	SUSPENSION	10/13/1986
NASD	IR	07/05/1999	09/07/2000	SUSPENSION	09/26/1986
AZ	AG	07/05/1999	11/20/1998	APPROVED	11/20/1998

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
FL	AG	07/05/1999	09/22/1998	APPROVED	09/22/1998
IN	AG	07/05/1999	01/08/1992	APPROVED	01/08/1992
MO	AG	01/13/2000	01/28/2000	T_NOREG	
NC	AG	01/14/2000	01/21/2000	APPROVED	01/21/2000
NH	AG	07/05/1999	09/25/2000	TERMED	12/15/1998
NJ	AG	07/05/1999	05/12/1997	APPROVED	05/12/1997
OH	AG	07/05/1999	09/19/1986	APPROVED	09/19/1986
PA	AG	07/05/1999	11/20/1998	APPROVED	11/20/1998

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U4 Employment History

Individual CRD#: 1345038	Individual Name: LEHMAN, PHILIP A

Please note that data contained in the U-4 EMPLOYMENT HISTORY SCREEN is updated only by a U-4 and does not reflect any changes made by the filing of a U-5.

Employment History

From	To	Name	Investment Related Business?	City	State	Country	Position
06/1996	Present	SPENCER INSURANCE	N	LONDON	OH	USA	SOLICITOR
03/1988	Present	TOWER EQUITIES AGENCY, INC	N	DAYTON	OH	USA	PRESIDENT
04/1984	Present	TOWER EQUITIES, INC.	Y	DAYTON	OH	USA	PRINCIPAL
03/1979	09/2000	TOWER EQUITIES, INC	Y	DAYTON	OH	USA	CHAIRMAN
03/1979	01/2000	ENINUN, INC.	N	DAYTON	OH	USA	PRESIDENT
01/1996	06/1999	PRETEKIN REALTY	N	DAYTON	OH	USA	REALTOR

Office of Employment Address History

From	To	Firm	Street 1	Street 2	City	State	Country	Postal Code
04/01/1984	Present	TOWER EQUITIES, INC. (16195)	8141 NORTH MAIN STREET		DAYTON	OH	USA	45415

Central Registration Depository
Individual Roster - Active Registrations

Request Submitted: 01/31/2001 Page 1

Notice

CRD Information: This report contains information from the CRD(SM) system, which is operated by the NASD, a national securities association registered under the Securities Exchange Act of 1934. The CRD system primarily contains information submitted on uniform broker-dealer and agent registration forms and certain other information related to registration and licensing. The information on Uniform Forms filed with the CRD is deemed to have been filed with each regulator with which the applicant seeks to be registered or licensed and shall be the joint property of the applicant and such regulators. The compilation constituting the CRD database as a whole is the property of NASD. Neither the NASD nor a participating regulator warrants or guarantees the accuracy or the completeness of the CRD information. CRD information consists of reportable and non-reportable information.

Reportable Information: Information that is required to be reported on the current version of the uniform registration forms.

Non-Reportable Information: Information that is not currently reportable on a uniform registration form. Information typically is not reportable because it is out-of-date; it was reported in error; or some change occurred either in the disposition of the underlying event after it was reported or in the question on the form that elicited the information. Although not currently reportable, this information was once reported on a uniform form and, consequently, may have become a state record. Users of this information should recognize that filers have no obligation to update non-reportable data; accordingly, it may not reflect changes that have occurred since

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Central Registration Depository
Individual Roster - Active Registrations

Request Submitted: 01/31/2001

Details for Request# 122628

Report: Individual Roster - Active Registrations

Parameter Name	Value
Organization CRD #	16195
Generate Zipped PDF file?	No
User Initials	SBT

Central Registration Depository
Individual Roster - Active Registrations

Request Submitted: 01/31/2001 Page 3

Regulator Name : ARIZONA
Organization Name: TOWER EQUITIES, INC.

Individual Name : ALBERT,KENNETH WAYNE
Individual CRD # : 2545456
Residential Address :
[redacted]
United States
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
1108 WINCHESTER TRAIL
DOWINGTOWN PA 19325
NASD Registrations :

Category	Status	Effective date
GP	APPROVED	12/04/2000
GS	APPROVED	09/30/1999
IR	APPROVED	10/10/1997

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	10/06/1998

Individual Name : BURRIS,DARLA FAYE
Individual CRD # : 3169030
Residential Address :
[redacted]
United States
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
173 TRACE FORK ROAD
CAMPBELLSVILLE KY 42718
NASD Registrations :

Category	Status	Effective date
IR	APPROVED	12/15/1999

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	06/30/2000

Central Registration Depository
Individual Roster - Active Registrations

Request Submitted: 01/31/2001 Page 4

Regulator Name : ARIZONA
Organization Name: TOWER EQUITIES, INC.

Individual Name : LARSON,MARJORIE LYNN
Individual CRD # : 852433
Residential Address :
[redacted]
United States
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
345 EXECUTIVE PKWY M3
ROCKFORD IL 61107
NASD Registrations :

Category	Status	Effective date
GP	APPROVED	11/24/1997
GS	APPROVED	11/24/1997

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	01/28/1998

Individual Name : LEHMAN,HEATH A
Individual CRD # : 2395182
Residential Address :
[redacted]
USA
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
1103 CLEARPOINTE WAY
LAKELAND FL 33813
USA
NASD Registrations :

Category	Status	Effective date
OP	APPROVED	10/23/1998
MP	APPROVED	01/15/1998
MR	APPROVED	01/15/1998
FN	APPROVED	09/15/1997
GP	APPROVED	02/19/1997
GS	APPROVED	01/25/1995

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	03/11/1998

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Request Submitted: 01/31/2001 Page 5

Regulator Name : ARIZONA
Organization Name: TOWER EQUITIES, INC.

Individual Name : LEHMAN,PHILIP ALLEN
Individual CRD # : 1345038
Residential Address :
[redacted]
UNITED STATES
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
8141 NORTH MAIN STREET
DAYTON OH 45415
USA

NASD Registrations :

Category	Status	Effective date
DP	SUSPENSION	09/07/2000
DR	SUSPENSION	09/07/2000
IP	SUSPENSION	09/07/2000
IR	SUSPENSION	09/07/2000

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	11/20/1998

Individual Name : MINGS,DEAN ELMO
Individual CRD # : 1197212
Residential Address :
[redacted]
United States
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
173 TRACE FORK ROAD
CAMPBELLSVILLE KY 42718
USA

NASD Registrations :

Category	Status	Effective date
IP	APPROVED	09/02/1998
IR	APPROVED	09/02/1998

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	06/30/2000

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Individual Roster - Active Registrations

Request Submitted: 01/31/2001 Page 6

Regulator Name : ARIZONA
Organization Name: TOWER EQUITIES, INC.

Individual Name : WISEMAN,KENNETH ROBERT
Individual CRD # : 1345001
Residential Address :
[redacted]
USA
Organization CRD # : 16195
Current Employer : TOWER EQUITIES, INC.
Office Employment Address:
8141 N. MAIN ST.
DAYTON OH 45415
USA

NASD Registrations :

Category	Status	Effective date
FN	APPROVED	12/06/1990
IR	APPROVED	10/13/1986

Regulator Registrations :

Category	Status	Effective date
AG	APPROVED	08/15/2000

Total Count of Individuals within this report: 7

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Individual CRD#: 2672417	Individual Name: MERRICK, SARA A

Full Legal Name:	MERRICK, SARA ANN	
Social Security #:	[redacted]	
Date Of Birth:	[redacted]	
Employment	Name	TOWER EQUITIES, INC. (16195)
	Address	8141 N MAIN ST DAYTON, OH 45415-1747
	Position	Non Registered Fingerprint Person
Residential Address	[redacted]	
Reportable Disclosures?	The specified individual has no disclosure that qualifies for reporting under this section. Please note that there are three types of disclosure in Web CRD: Reportable, Legacy and Archive disclosure. An individual with no reportable disclosure may or may not have Legacy or Archive disclosure.	
Statutory Disqualification Status	Clear	
System Archive:	None Found	

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View Individual

Registrations Summary

Individual CRD#: 2672417	Individual Name: MERRICK, SARA A

Current Firm(s):

Registrations Summary With Current Employers

Individual CRD#: 2672417	Individual Name: MERRICK, SARA A

No Current Employers Found

Prior Firm(s):

Registrations Summary With Prior Employers

Individual CRD#: 2672417	Individual Name: MERRICK, SARA A

No Prior Employers Found

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Exam History

Individual CRD#: 2672417	Individual Name: MERRICK, SARA A

No Exam Information Found.

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Individual CRD#: 2672417	Individual Name: MERRICK, SARA A

Legacy Employment History

From	To	Firm	City	State	Position
06/1993		TOWER EQUITIES AGENCY INC.	DAYTON	OH	VICE PRESIDENT
06/1993		TOWER EQUITIES, INC. (16195)	DAYTON	OH	ADMINISTRATION
12/1991	06/1993	LIBERTY SAVING BANK	ENGLEWOOD	OH	CSR/NEW ACCOUNT REPRESENTATIVE
09/1990	12/1991	PATRICIA GRICE MD	VANDALIA	OH	RECEPTIONIST
10/1982	09/1990	GRANDVIEW HOSPITAL	DAYTON	OH	SECRETARY/RECEPTIONIST

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Custody and Clearing Arrangements List

Organization CRD#: 16195	**Organization Name: TOWER EQUITIES, INC.**
Organization SEC#: 8-33445	**Applicant Name: TOWER EQUITIES, INC.**

Item#	Organization Name/Individual Name
8C	SECURITIES SERVICE NETWORK, INC.
8C	WESTMINSTER FINANCIAL SECURITIES, INC.

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Custody and Clearing Arrangement Details

Organization CRD#: 16195	**Organization Name: TOWER EQUITIES, INC.**
Organization SEC#: 8-33445	**Applicant Name: TOWER EQUITIES, INC.**

Name	SECURITIES SERVICE NETWORK, INC.
CRD#	13318
Address	9041 EXECUTIVE PARK DR SUITE 500 KNOXVILLE, TN USA 37923
Effective Date	01/24/1997
Description	WE MAINTAIN A RELATIONSHIP WITH THIS BROKER DEALER TO INTRODUCE CUSTOMERS FOR GENERAL SECURITY BUSINESS. ALL TRADES ARE CLEARED THROUGH NFSC.

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Custody and Clearing Arrangement Details

Organization CRD#: 16195	**Organization Name: TOWER EQUITIES, INC.**
Organization SEC#: 8-33445	**Applicant Name: TOWER EQUITIES, INC.**

Name	WESTMINSTER FINANCIAL SECURITIES, INC.
CRD#	20677
Address	865 SOUTH DIXIE DRIVE VANDALIA, OH USA 45377-2540
Effective Date	06/01/2000
Description	WE MAINTAIN A RELATIONSHIP WITH THIS BROKER DEALER TO INTRODUCE CUSTOMERS FOR GENERAL SECURITY BUSINESS. ALL TRADES ARE CLEARED THROUGH PERSHING A DIVISION OF DLJ.

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Custody and Clearing Arrangements

Does *applicant* have any arrangements with any other *person*, firm, or organization under which:

8A. any books or records of *applicant* are kept or maintained by such other *person*,firm, or organization?

8B. accounts, funds, or securities of the *applicant* are held or maintained by such *person*, firm, or organization?

8C. accounts, funds, securities of customers of the *applicant* are held or maintained by such other *person*, firm, or organization?

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Organization CRD#: 13318	**Organization Name: SECURITIES SERVICE NETWORK, INC.**
Organization SEC#: 8-28980	**Applicant Name: SECURITIES SERVICE NETWORK, INC.**

SEC / Jurisdiction / NASD	Registration Status	Status Effective Date
SEC	Approved -	03/25/1983
NASD	Approved -	05/05/1983
AZ	Approved -	03/18/1991

SEC / SRO / Jurisdiction	Registration Status	Status Effective Date
SEC	Approved -	03/25/1983
NASD	Approved -	05/05/1983
AL	Approved -	10/12/1988
AK	Approved -	11/15/1996
AZ	Approved -	03/18/1991
AR	Approved -	07/13/1990
CA	Approved -	09/20/1989
CO	Approved -	06/05/1989
CT	Approved -	08/20/1991
DE	Approved -	05/04/1993
DC	Approved -	11/03/1989
FL	Approved -	06/10/1986
GA	Approved -	11/28/1983
HI	Approved -	03/27/1997
ID	Approved -	06/15/1993
IL	Approved -	01/02/1990
IN	Approved -	06/14/1988

IA	Approved -	06/25/1990
KS	Approved -	07/26/1990
KY	Approved -	12/11/1986
LA	Approved -	05/04/1989
ME	Approved -	09/27/1991
MD	Approved -	07/25/1991
MA	Approved -	04/02/1987
MI	Approved -	11/09/1989
MN	Approved -	05/10/1990
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NM	Approved -	07/22/1992
NY	Approved -	05/11/1989
NC	Approved -	07/19/1983
ND	Approved -	04/21/1989
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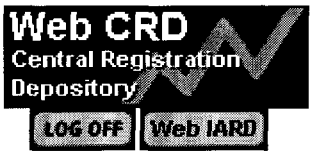

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Organization Registration Status

Organization CRD#: 20677	**Organization Name: WESTMINSTER FINANCIAL SECURITIES, INC.**
Organization SEC#: 8-38426	**Applicant Name: WESTMINSTER FINANCIAL SECURITIES, INC.**

SEC / Jurisdiction / NASD	Registration Status	Status Effective Date
SEC	Approved -	10/02/1987
NASD	Approved -	10/09/1987
AZ	Approved -	04/09/1998

SEC / SRO / Jurisdiction	Registration Status	Status Effective Date
SEC	Approved -	10/02/1987
NASD	Approved -	10/09/1987
AL	Approved -	03/04/1998
AK	Approved -	03/23/2000
AZ	Approved -	04/09/1998
AR	Approved -	04/17/2000
CA	Approved -	02/27/1998
CO	Approved -	03/13/1998
CT	Approved -	03/10/1998
DE	Approved -	03/23/2000
DC	Approved -	11/06/1998
FL	Approved -	11/24/1993
GA	Approved -	02/23/1998
HI	Approved -	06/28/2000
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LA	Approved -	06/09/1998
ME	Approved -	07/31/1998
MD	Approved -	02/11/1998
MA	Approved -	06/29/1998
MI	Approved -	01/10/1996
MN	Approved -	02/23/1998
MS	Approved -	06/03/1998
MO	Approved -	04/09/1998
MT	Approved -	11/09/1998
NE	Approved -	05/11/2001
NV	Approved -	07/07/1998
NH	Approved -	07/30/1999
NJ	Approved -	03/17/1998
NM	Approved - D.P.: CHRISTOPHER J. BRODERICK CRD# 2592177	05/16/2000
NY	Approved -	04/03/1998
NC	Approved -	03/17/1998
ND	Pending Approval -	05/02/2001
OH	Approved -	10/16/1987
OK	Approved -	04/17/2001
OR	Approved -	06/24/1998
PA	Approved -	04/01/1996
RI	Approved -	11/08/2000
SC	Approved -	03/05/1998
SD	Approved -	03/15/2000
TN	Approved -	03/16/1998
TX	Approved -	05/23/1997
UT	Approved -	10/21/1998
VT	Pending Approval -	04/16/2001
VA	Approved -	03/05/1998

WA	Approved -	05/29/1998
WV	Approved -	03/06/1998
WI	Approved -	04/14/1998
WY	Approved -	09/24/1998

Applicant Information | **Registration Status** | Legal Status | Answers to Questions | Types of Business | Direct Owners/Executive Officers | Indirect Owners | Other Business Names | Other Business Description | Succession | Introducing Arrangements | Custody and Clearing Arrangements | Financial and Control Arrangements | Affiliates | Branch Offices | Disclosures | Filing History | Document Listing | Deficiencies | Regulatory Notes | Legacy Information

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Organization CRD#: 13318	**Organization Name: SECURITIES SERVICE NETWORK, INC.**
Organization SEC#: 8-28980	**Applicant Name: SECURITIES SERVICE NETWORK, INC.**

Name	PERSHING/DLJ
CRD #	
Business Address	ONE PERSHING PLAZA JERSEY CITY, NJ 07399 US
Effective Date	11/01/1998
Description	CUSTOMERS ACCOUNTS OF APPLICANT ARE HELD AT, AND TRANSACTIONS ARE CLEARED THROUGH PERSHING/DLJ.

Name	NATIONAL FINANCIAL SERVICES CORPORATION
CRD #	
Business Address	200 LIBERTY STREET NEW YORK, NY 10281 US
Effective Date	04/02/1997
Description	CUSTOMER ACCOUNTS OF THE APPLICANT ARE HELD AT, AND TRANSACTIONS CLEARED THROUGH NATIONAL FINANCIAL SERVICES CORP.

Applicant Information | Registration Status | Legal Status | Answers to Questions | Types of Business | Direct Owners/Executive Officers | Indirect Owners | Other Business Names | Other Business Description | Succession | **Introducing Arrangements** | Custody and Clearing Arrangements | Financial and Control Arrangements | Affiliates | Branch Offices | Disclosures | Filing History | Document Listing | Deficiencies | Regulatory Notes | Legacy Information

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Introducing Arrangements

Organization CRD#: 20677	**Organization Name: WESTMINSTER FINANCIAL SECURITIES, INC.**
Organization SEC#: 8-38426	**Applicant Name: WESTMINSTER FINANCIAL SECURITIES, INC.**

Name	DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION
CRD #	7560
Business Address	ONE PERSHING PLAZA JERSEY CITY, NJ 07399 UNITED STATES
Effective Date	12/01/1993
Description	WE OPERATE ON A FULLY DISCLOSED BASIS WITH PERSHING, WHO IS RESPONSIBLE FOR MAINTAINING THE ACCOUNTS AND HOLDING CUSTODY OF OUR CLIENTS' FUNDS AND SECURITIES.

Applicant Information | Registration Status | Legal Status | Answers to Questions | Types of Business | Direct Owners/Executive Officers | Indirect Owners | Other Business Names | Other Business Description | Succession | **Introducing Arrangements** | Custody and Clearing Arrangements | Financial and Control Arrangements | Affiliates | Branch Offices | Disclosures | Filing History | Document Listing | Deficiencies | Regulatory Notes | Legacy Information

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Composite Information

Individual CRD#: 2395182	Individual Name: LEHMAN, HEATH A

Full Legal Name:	LEHMAN, HEATH A	
Social Security #:	[redacted]	
Date Of Birth:	[redacted]	
Employment	**Name**	HIGH MARK SECURITIES, INC. (42467)
	Address	500 SOUTH FLORIDA AVE 4TH FLOOR LAKELAND, FL 33081
	Position	Registered Representive
Residential Address	[redacted]	
Reportable Disclosures?	The specified individual has no disclosure that qualifies for reporting under this section. Please note that there are three types of disclosure in Web CRD: Reportable, Legacy and Archive disclosure. An individual with no reportable disclosure may or may not have Legacy or Archive disclosure.	
Statutory Disqualification Status	Clear	
System Archive:	None Found	

EXHIBIT
S-8
Adm.

Registrations Summary

Individual CRD#: 2395182	Individual Name: LEHMAN, HEATH A

Current Firm(s):

Registrations Summary With Current Employers

Individual CRD#: 2395182	Individual Name: LEHMAN, HEATH A

Firm Name	Firm CRD	Start Date	SFG Member
HIGH MARK SECURITIES, INC.	42467	12/2000	N

Prior Firm(s):

Registrations Summary With Prior Employers

Individual CRD#: 2395182	Individual Name: LEHMAN, HEATH A

Firm Name	Firm CRD	Start Date	End Date	SFG Member
TOWER EQUITIES, INC.	16195	08/1993	05/2001	N

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Registrations with Current Employers

Individual CRD#: 2395182	Individual Name: LEHMAN, HEATH A
Firm CRD # : 42467	Firm Name : HIGH MARK SECURITIES, INC.

Employment Start Date	12/15/2000

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
NASD	ET	05/08/2001	05/09/2001	DEFICIENT	
NASD	FN	12/15/2000	01/22/2001	APPROVED	12/18/2000
NASD	GP	12/15/2000	01/22/2001	APPROVED	12/18/2000
NASD	GS	12/15/2000	01/22/2001	APPROVED	12/18/2000
NASD	MP	12/15/2000	01/22/2001	APPROVED	12/18/2000
NASD	MR	12/15/2000	01/22/2001	APPROVED	12/18/2000
NASD	OP	12/15/2000	01/22/2001	APPROVED	12/18/2000

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
CA	AG	02/13/2001	02/23/2001	APPROVED	02/23/2001
FL	AG	12/15/2000	12/19/2000	APPROVED	12/19/2000
GA	AG	02/12/2001	02/21/2001	APPROVED	02/21/2001
IL	AG	02/12/2001	03/29/2001	APPROVED	03/29/2001
MN	AG	02/12/2001	02/22/2001	T_NOREG	
NC	AG	02/12/2001	02/20/2001	APPROVED	02/20/2001
OH	AG	02/13/2001	02/21/2001	T_NOREG	
SC	AG	02/12/2001	04/12/2001	T_NOREG	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

TX	AG	02/07/2001	05/08/2001	APPROVED	05/11/2001

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Registrations with Prior Employers

Individual CRD#: 2395182	**Individual Name: LEHMAN, HEATH A**
Firm CRD # : 16195	**Firm Name : TOWER EQUITIES, INC.**

Employment Start Date	08/01/1993
Employment End Date	05/07/2001
Reason for Termination	**Voluntary**
Termination Comment	
Firm Name at Termination	**TOWER EQUITIES, INC.**

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
NASD	**FN**	07/05/1999	05/01/2001	TERMED	09/15/1997
NASD	**GP**	07/05/1999	05/01/2001	TERMED	02/19/1997
NASD	**GS**	07/05/1999	05/01/2001	TERMED	01/25/1995
NASD	**MP**	07/05/1999	05/01/2001	TERMED	01/15/1998
NASD	**MR**	07/05/1999	05/01/2001	TERMED	01/15/1998
NASD	**OP**	07/05/1999	05/01/2001	TERMED	10/23/1998
AZ	**AG**	07/05/1999	05/01/2001	TERMED	03/11/1998

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
AL	AG	07/05/1999	05/01/2001	TERMED	12/03/1998
CA	AG	07/05/1999	05/01/2001	TERMED	07/29/1998
CT	AG	07/05/1999	05/01/2001	TERMED	07/17/1998
FL	AG	01/12/2000	05/01/2001	TERMED	01/19/2000
GA	AG	07/05/1999	05/01/2001	TERMED	05/04/1999
IL	AG	07/05/1999	05/01/2001	TERMED	12/03/1997
IN	AG	07/05/1999	05/01/2001	TERMED	12/03/1997
KY	AG	07/05/1999	05/01/2001	TERMED	12/04/1997
LA	AG	07/05/1999	05/01/2001	TERMED	01/28/1999
MA	AG	07/05/1999	05/01/2001	TERMED	12/03/1997
MD	AG	07/05/1999	05/01/2001	TERMED	07/19/1999
MI	AG	07/05/1999	05/01/2001	TERMED	12/04/1997
MO	AG	07/05/1999	05/01/2001	TERMED	11/24/1998
MS	AG	07/05/1999	05/01/2001	TERMED	09/30/1998
NH	AG	07/05/1999	05/01/2001	TERMED	12/15/1998
NJ	AG	07/05/1999	05/01/2001	TERMED	07/27/1999
NY	AG	07/05/1999	05/01/2001	TERMED	03/24/1997
OH	AG	07/05/1999	05/01/2001	TERMED	02/22/1995
OK	AG	07/05/1999	05/07/2001	TERMED	12/04/1997
PA	AG	07/05/1999	05/01/2001	TERMED	12/03/1997
RI	AG	07/05/1999	05/01/2001	TERMED	05/07/1997
SC	AG	07/05/1999	05/01/2001	TERMED	05/14/1997
TN	AG	07/05/1999	05/01/2001	TERMED	08/13/1997
TX	AG	07/05/1999	05/01/2001	TERMED	07/11/1997
UT	AG	12/11/2000	05/01/2001	TERMED	12/11/2000

UT	AG	12/11/2000	05/01/2001	TERMED	12/11/2000
WI	AG	07/05/1999	05/01/2001	TERMED	04/23/1997
WV	AG	07/05/1999	05/01/2001	TERMED	10/05/1998

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EXHIBIT NOS.

S-9, S-25, and S-26

WERE NOT USED.

UNITED STATES OF AMERICA

SECURITIES AND EXCHANGE COMMISSION

ATTESTATION

I HEREBY ATTEST *that:*

Attached is a copy of, order of this Commission dated September 7, 2000, making findings, ordering respondents to cease and desist and imposing remedial sanctions, in the matter of Philip A. Lehman and Tower Equities, Inc., Administrative Proceeding File No. 3-10024.

on file in this Commission

November 6, 2000

(Date)

Larry Mills
Records Officer

It is hereby certified that the Associate Executive Director, Office of Filings and Information Services, U.S. Securities and Exchange Commission, Washington, D.C., which Commission was created by the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is official custodian of the records and files of said Commission, and all records and files created or established by the Federal Trade Commission pursuant to the provisions of the Securities Act of 1933 and transferred to this Commission in accordance with Section 210 of the Securities Exchange Act of 1934, and was such official custodian at the time of executing the above attestation, and that he/she, and persons holding the positions of Deputy Director, Associate Directors, Special Assistant to the Director, Records Officer, and the Branch Chief of Records Management, or any one of them, are authorized to execute the above attestation.

For the Commission

Jonathan G. Katz
Secretary

EXHIBIT
S-10
Adm.

SEC 334 (8-95)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 7889 / September 7, 2000
SECURITIES EXCHANGE ACT OF 1934
Release No. 43262
INVESTMENT ADVISERS ACT OF 1940
Release No. 1896
INVESTMENT COMPANY ACT OF 1940
Release No. 24636

SECURITIES & EXCHANGE COMMISSION
MAILED FOR SERVICE
SEP 0 8 2000
CTFD. NO. 8043187-3189

ADMINISTRATIVE PROCEEDING
File No. 3-10024

In the Matter of PHILIP A. LEHMAN and TOWER EQUITIES, INC., Respondents.	ORDER MAKING FINDINGS, ORDERING RESPONDENTS TO CEASE AND DESIST AND IMPOSING REMEDIAL SANCTIONS

I.

On September 22, 1999, the Securities and Exchange Commission (Commission) instituted public administrative proceedings and cease and desist proceedings, pursuant to Section 8A of the Securities Act of 1933 (Securities Act), Sections 15(b), 19(h) and 21C of the Securities Exchange Act of 1934 (Exchange Act), Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (Advisers Act) and Section 9(b) of the Investment Company Act of 1940 (Investment Company Act), against Philip A. Lehman (Lehman) and Tower Equities, Inc. (Tower Equities).

In response to the institution of these proceedings, Lehman and Tower Equities have submitted Offers of Settlement (Offers) which the Commission has determined to accept. Solely for the purpose of this proceeding and any other proceeding brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except the Commission's jurisdiction and the findings contained in Paragraphs II.A and II.B. below, which are admitted, Lehman and Tower Equities consent to the entry of this

Order Making Findings, Ordering Respondents to Cease and Desist and Imposing Remedial Sanctions (Order).

II.

On the basis of this Order and the Offers submitted by Lehman and Tower Equities, the Commission finds that:

A. Tower Equities is an Ohio corporation based in Dayton, Ohio, has been a broker-dealer registered with the Commission pursuant to Section 15(a) of the Exchange Act since in or about 1985, and has been an investment adviser registered with the Commission pursuant to Section 203(c) of the Advisers Act since in or about 1988.

B. At all relevant times, Lehman, age 60, was the sole shareholder, chairman, vice president and chief compliance officer of Tower Equities. At all relevant times, Lehman was a person associated with both a broker-dealer and an investment adviser.

C. At all relevant times, Tower Venture 97-A, Ltd. (Tower Venture) was an Ohio limited liability company based in Dayton, Ohio.

D. At all relevant times, Lifetime Assets, LLC (Lifetime) was an Ohio limited liability company based in Dayton, Ohio. At all relevant times, Lehman was the president and managing partner of Lifetime.

E. At all relevant times, Baylor/Gavic, LLC (Baylor) was an Ohio limited liability company based in Dayton, Ohio. At all relevant times, Lehman was the president and managing partner of Baylor.

F. At all relevant times, Wellington, LLC (Wellington) was an Ohio limited liability company based in Dayton, Ohio. At all relevant times, Lehman was the president and managing partner of Wellington.

The Tower Venture Offering

G. In or about February 1997, Lehman and Tower Equities offered to sell to investors the securities of Tower Venture, in the form of units, for $25,000 per unit. The offering was on an all-or-none basis for approximately 420 units for approximately $10.5 million. The closing date for the offering was on or about March 30, 1998. Tower Equities underwrote the offering. From in or about February 1997 through in or about October 1997, Lehman and Tower Equities sold approximately 173 units of Tower Venture to their investment advisory clients.

H. Lehman and Tower Equities, through various means including, but not limited to, the Private Placement Memorandum for Tower Venture, which they distributed to investors, made various misrepresentations of material facts and omitted to state material facts to investors regarding Tower Venture, including the following:

1. Lehman and Tower Equities misrepresented that, after paying approximately $500,000 for investment advisory, bank escrow and other fees, the remaining amount raised from the offering, approximately $10 million, would be used to make a "loan premium payment" to Credit Austerlitz Finances, Ltd. (Credit Austerlitz), a European entity, as payment for the receipt of a "self-liquidating" loan in the amount of approximately $30 million. Due to the "self-liquidating" nature of the loan, Credit Austerlitz would, in essence, pay itself back and, as a result, Tower Venture would never have to repay the remaining amount, approximately $20 million that it received from Credit Austerlitz. In fact, this "loan" transaction did not, and could not, exist;

2. Lehman and Tower Equities misrepresented that the $10 million "loan premium payment" would not be paid until Tower Venture received a valid standby letter of credit obtained by Credit Austerlitz and issued by one of several major European banks identified by Lehman and Tower Equities, and confirmed by an American bank. The standby letter of credit would guarantee the receipt of the $30 million "loan." In fact, none of the European banks identified by Lehman and Tower Equities would have issued a standby letter of credit for the Tower Venture "loan" transaction;

3. Lehman and Tower Equities misrepresented that, after the receipt of the $30 million "loan" proceeds, Tower Venture would repay to each investor a "primary distribution" consisting of his or her entire investment plus an interest payment equal to an annual return of approximately 23.5 percent. Since the loan transaction did not exist and Lehman and Tower Equities had not conducted adequate due diligence, they had no reasonable basis for this representation;

4. Lehman and Tower Equities misrepresented that Tower Venture would use the remaining portion of the "loan" proceeds to invest in viatical insurance policies for which investors could expect to earn an additional return of approximately 33 percent after one year. Since Lehman and Tower Equities, however, had no agreement with any viatical companies to purchase viatical insurance policies and had not conducted adequate due diligence, they had no reasonable basis for this representation;

5. Lehman and Tower Equities misrepresented to one investor who was approximately 70 years old and retired:

a) that Tower Venture was a suitable investment for his individual retirement account (IRA) when, in fact, it was not suitable in light of the conservative nature of the investor's IRA account; and

b) that the Tower Venture offering would be successfully completed within approximately four weeks when, in fact, Lehman and Tower Equities had no reasonable basis to believe that there would be a sufficient amount of new funds invested to complete the offering within that period; and

6. Lehman and Tower Equities omitted to state that they, among other things:

a) never reviewed any Credit Austerlitz financial statements or other financial information about Credit Austerlitz;

b) never reviewed any contracts entered into by Credit Austerlitz with third parties;

c) never conducted any inquiries about Credit Austerlitz; and

d) failed to take any steps to determine if any of the European banks listed in the Tower Venture offering materials would issue a standby letter of credit.

Offerings in Lifetime, Baylor and Wellington

I. From on or about August 15, 1998 to on or about December 15, 1998, Lehman and Tower Equities, in three separate private placement offerings, offered and sold units in Lifetime, Baylor and Wellington to their investment advisory clients. Each of the offerings was to raise a minimum of approximately $1 million and a maximum of approximately $50 million.

J. When the offerings described in Paragraph II.I above closed, on or about December 15, 1998, Lifetime had raised approximately $3.3 million, Baylor had raised approximately $1.9 million and Wellington had raised approximately $600,000 from approximately 35 investors for all three offerings, collectively.

K. Lehman and Tower Equities, through various means, including, but not limited to, the Private Placement Memoranda for Lifetime, Baylor and Wellington, which they distributed to investors, made misrepresentations of material fact and omitted to state material facts regarding these offerings. Specifically, Lehman and Tower Equities represented to investors that they would invest the funds raised from the investors in a "transaction" with a "trading company" sponsored by a "transaction bank" in Europe. They also told the investors that they could expect to earn 100 percent on their investment within 25 days, or an annualized rate of 1,440 percent, with minimal risk to their principal. Lehman and Tower Equities, however, had no basis for these representations. While the funds were, in fact, deposited in an escrow account, Lehman and Tower Equities never had any agreement with any European bank to "sponsor" the transaction, never had any agreement with any "trading company" and never identified any "transaction." Moreover, neither Lehman nor Tower Equities ever had any agreement with anyone for any transaction for the funds raised in the Lifetime, Baylor and Wellington offerings.

L. From in or about February 1997 to in or about December 1998, Lehman and Tower Equities willfully violated and committed or caused violations of Section 17(a) of the Securities Act in that they, by the use of the means or instruments of transportation or communication in interstate commerce or by the use of the mails, directly or indirectly, in the offer or sale of securities described in Paragraphs II.G and II.I above, employed devices, schemes or artifices to defraud; obtained money or property by means of untrue statements of material fact or omissions to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or engaged in transactions, practices or courses of business which operated or would operate as a fraud or deceit upon

purchasers or prospective purchasers of such securities. As a part of this conduct, they made misrepresentations or omissions of material facts to investors, as described in Paragraphs II.H and II.K above.

M. From in or about February 1997 to in or about December 1998, Lehman and Tower Equities willfully violated and committed or caused violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder in that they, in connection with the purchase or sale of securities described in Paragraphs II.G and II.I above, directly or indirectly, by the use of the means or instrumentalities of interstate commerce, or of the mails, employed devices, schemes or artifices to defraud; made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchasers of the securities. As a part of this conduct, they made misrepresentations or omissions of material facts to investors, as described in Paragraphs II.H and II.K above.

N. From in or about February 1997 to in or about December 1998, Tower Equities willfully violated and committed or caused violations of Section 15(c)(1) of the Exchange Act and Rule 15c1-2 thereunder in that it, while acting as a broker-dealer, by the use of the mails or of the means or instrumentalities of interstate commerce, effected transactions in, or induced or attempted to induce the purchase or sale of the securities described in Paragraphs II.G and II.I above, by means of manipulative, deceptive or other fraudulent devices or contrivances, including acts, practices or courses of business which operated or would operate as a fraud or deceit or made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, which statements or omissions were made with knowledge or reasonable grounds to believe they were untrue or misleading. As a part of this conduct, it made misrepresentations or omissions of material facts to investors, as described in Paragraphs II.H and II.K above.

O. From in or about February 1997 to in or about December 1998, Tower Equities willfully violated and committed or caused violations of Sections 206(1) and 206(2) of the Advisers Act in that it, while acting as an investment adviser, directly or indirectly, by the use of the means or instrumentalities of interstate commerce, or of the mails, employed devices, schemes or artifices to defraud clients or prospective clients or engaged in transactions, practices, or courses of business which operated as a fraud or deceit upon clients or prospective clients. As a part of this conduct, it made misrepresentations or omissions of material facts to investors, as described in Paragraphs II.H and II.K above.

P. From in or about February 1997 to in or about December 1998, Lehman willfully aided and abetted and caused Tower Equities' violations of Sections 206(1) and 206(2) of the Advisers Act as described in Paragraph II.O above, in that he, as principal of Tower Equities, was aware that his role was part of an overall activity that is improper and knowingly and substantially assisted Tower Equities in its violations.

Q. Respondent Tower Equities has submitted a sworn financial statement and other evidence and has asserted its financial inability to pay a civil penalty. The Commission has reviewed the sworn financial statement and other evidence provided by Tower Equities and has determined that Tower Equities does not have the financial ability to pay a civil penalty.

III.

In view of the foregoing, it is in the public interest to impose the sanctions specified in the Offers.

Accordingly, **IT IS ORDERED THAT:**

A. Lehman, pursuant to Sections 15(b) and 19(h) of the Exchange Act, Sections 203(e) and 203(f) of the Advisers Act and Section 9(b) of the Investment Company Act, be suspended from association with any broker, dealer, investment adviser or investment company for a period of nine (9) months, effective on the second Monday following entry of this Order. Within thirty (30) days after the end of the suspension period, Lehman shall provide an affidavit, stating that he has complied with this sanction, via certified mail to Mary E. Keefe, Regional Director, Securities and Exchange Commission, Midwest Regional Office, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661;

B. Lehman, pursuant to Section 8A of the Securities Act, Section 21C of the Exchange Act and Section 203(k) of the Advisers Act, cease and desist from committing or causing any violation and any future violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and Sections 206(1) and 206(2) of the Adviser's Act;

C. Lehman, pursuant to Section 21B of the Exchange Act, Section 203(i) of the Advisers Act and Section 9(d) of the Investment Company Act, pay a civil penalty of $10,000 within sixty (60) days of entry of the Order. Such payment to be: (a) made by United States postal money order, certified check, bank cashier's check or bank money order; (b) made payable to the Securities and Exchange Commission; (c) hand-delivered or mailed to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312; and (d) submitted under cover letter that identifies Philip A. Lehman as a Respondent in this matter, the case number of this matter, a copy of which cover letter and money order or check shall be sent to Jerrold H. Kohn, Senior Attorney, Securities and Exchange Commission, 500 West Madison Street, Chicago, IL 60661;

D. Tower Equities, pursuant to Section 8A of the Securities Act, Section 21C of the Exchange Act and Section 203(k) of the Advisers Act, cease and desist from committing or causing any violation and any future violations of Section 17(a) of the Securities Act, Sections 10(b) and 15(c)(1) of the Exchange Act and Rules 10b-5 and 15c1-2 thereunder and Sections 206(1) and 206(2) of the Advisers Act;

E. Tower Equities is hereby censured;

F. The Division of Enforcement may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Tower Equities provided accurate and complete financial information at the time such representations were made; (2) determine the amount of the civil penalty to be imposed; and (3) seek any additional remedies that the Commission would be authorized to impose in this proceeding if Tower Equities' offer of settlement had not been accepted. No other issues shall be considered in connection with this petition other than whether the financial information provided by Tower Equities was fraudulent, misleading, inaccurate or incomplete in any material respect, the amount of civil penalty to be imposed and whether any additional remedies should be imposed. Tower Equities may not, by way of defense to any such petition, contest the findings in this Order or the Commission's authority to impose any additional remedies that were available in the original proceeding.

By the Commission.

Jonathan G. Katz
Secretary

SERVICE LIST

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Making Findings, Ordering Respondents to Cease and Desist and Imposing Remedial Sanctions on each person named as a party in the order or their legal agent.

The attached Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions has been sent to the following parties and other persons entitled to notice:

The Honorable Lillian A. McEwen
Securities and Exchange Commission
Room 11500
450 5th Street, N.W.
Washington, D.C. 20549-1106

Steven A. Yadegari, Esq.
Securities and Exchange Commission
Room 8123
450 5th Street, N.W.
Washington, D.C. 20549-0809

Jerrold H. Kohn
Senior Attorney
Securities and Exchange Commission
Midwest Regional Office
500 West Madison Street
Suite 1400
Chicago, IL 60661

Barbara A. Mallon, Esq.
Mallon & Johnson, P.C.
19 South LaSalle Street
Suite 1202
Chicago, IL 60603

Philip A. Lehman
c/o Tower Equities, Inc.
8141 North Main Street
Dayton, OH 45415

Tower Equities, Inc.
c/o Philip A. Lehman, Chairman
8141 North Main Street
Dayton, OH 45415

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

ARIZONA CORPORATION COMMISSION

BRIAN C. McNEIL
EXECUTIVE SECRETARY

MARK SENDROW
DIRECTOR

SECURITIES DIVISION
1300 West Washington, Third Floor
Phoenix, AZ 85007-2996
TELEPHONE: (602) 542-4242
FAX: (602) 594-7470
E-MAIL: accsec@ccsd.cc.state.az.us

May 21, 2001

BY FAX AND FIRST CLASS
(312-346-8896)

Barbara Mallon, Esq.
Mallon & Johnson
19 S. LaSalle Street, Suite 1202
Chicago, Illinois 60603

RE: Matter of Tower Equities, Inc., et al., Docket #S-03439A-00

Dear Barbara:

Respondents have failed to respond to Request #12 of the Division's request for information dated February 9, 2001. Paragraph 11 of the Merrick affidavit dated May 15, 2001, is not responsive to the request. I have enclosed for your reference a copy of Arizona Administrative Code Rule 14-4-132, which requires a registered broker-dealer to maintain and preserve records in compliance with referenced SEC rules and interpretive releases. (This rule should have been available to you through our internet website, as I discussed with you in January.) The periodic account statements and account files the Division has requested of Respondent in the Division's Request #12, are records that Tower Equities is required to maintain and preserve. Although these responsibilities may be contractually allocated to a clearing broker, Tower Equities retains ultimate responsibility for such records and should have ready access to them. If it does not, Tower Equities would be unable to respond to regulatory inquiries, to carry out supervisory responsibilities (for example, suitability determinations), or to address customer service issues. Because these records are available to the firm, it is Tower Equities and not any clearing firm, which must supply the records in response to the Division's request. These documents are months overdue and should be supplied immediately. (Electronic media are acceptable so long as the records can be printed here.)

In addition, please produce the following immediately: (1) A copy of each clearing agreement that has been in effect in Tower Equities's business during the period that the firm has been a registered broker-dealer in Arizona; (2) A copy of Tower Equities's manual of supervisory and compliance policies and procedures, for the period that the firm has been a registered broker-dealer in Arizona.

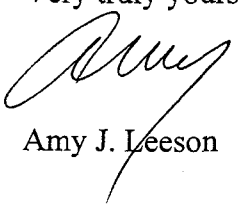
EXHIBIT
S-11
Adm.

Mallon LT 5-21-01 local counsel and discovery incomplete

Further, Tower Equities has failed to respond to the request stated in my letter dated May 11, 2001, concerning a sworn statement by a person with knowledge, detailing the post-secondary education and work experience, and any professional licenses held by, Sara Merrick, and whether Sara Merrick is the mother of Greg Merrick.

Finally, I need to reiterate what I explained to you in January concerning practice before the Arizona Corporation Commission. In particular, attorneys who are not members of the Arizona Bar may not appear on behalf of respondents in administrative hearings before the Commission. The usual practice is to associate with local counsel and file a motion to appear *pro hac vice*.

Very truly yours,



Amy J. Leeson

Enclosure

1. There have been established and maintained written procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such salesman of the Arizona Securities Act, or of any rule or regulation adopted thereunder; and

2. Such dealer has reasonably discharged the duties and obligations incumbent upon it by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

Historical Note
Adopted effective November 4, 1992 (Supp. 92-4).

R14-4-132. Books and Records of Dealers

A. Unless otherwise provided by order of the Commission, each registered dealer shall make, maintain and preserve books and records in compliance with U.S. Securities and Exchange Commission rules 17a-3 (17 CFR 240.17a-3 (1991)), 17-a4 (17 CFR 240.17a-4 (1991)), 15c2-6 (17 CFR 240.15c2-6 (1991)), and 15c2-11 (17 CFR 240.15c2-11 (1991) as amended in Release No. 34-29094, 56 Fed. Reg. 19148 (1991)) which are incorporated herein by reference and on file with the Office of the Secretary of State.

B. To the extent that the U.S. Securities and Exchange Commission promulgates changes to the above-referenced rules, dealers in compliance with such rules as amended shall not be subject to enforcement action by the Commission for violation of this rule to the extent that the violation results solely from the dealer's compliance with the amended rule.

Historical Note
Adopted effective November 4, 1992 (Supp. 92-4).

R14-4-133. Definition of Partners and Executive Officers

For purposes of the definition of "salesman" contained in A.R.S. § 44-1801, the following definitions shall apply:

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19 SOUTH LASALLE STREET • SUITE 1202

CHICAGO, ILLINOIS 60603

312-346-8890 • FAX: 312-346-8896

m-j@mallonandjohnson.com

www.mallonandjohnson.com

Amy Leeson
Arizona Corporations Commission
1200 W. Washington St.
Phoenix, AZ 85007

January 31, 2001

Re: Philip A. Lehman/Tower Equities, Inc.
Docket No. S-0349A-00-0000.

Dear Amy:

Per our conversation, I am writing this letter to persuade the Arizona Corporations Commission to withdraw its charges against the firm of Tower Equities, Inc., a registered broker-dealer. As discussed, the reasons are as follows:

1. Philip Lehman is no longer associated in any manner with Tower Equities, Inc. As of October 2000, he gave up any ownership interest in Tower as well as the positions of director and Chairman;

2. Tower's involvement with the activities of Tower Venture 97-A is only through Philip Lehman who is no longer affiliated with the firm;

3. Tower is a fully operating, viable broker-dealer that employs 146 registered representatives nationwide. Its national client base is 7409. In Arizona, it has 6 licensed representatives and has 11 Arizona residents as clients. Therefore, any remedial action on the part of the Arizona Corporations Commission would severely impact those clients' ability to be serviced and for the uninvolved representatives to likewise not be able to service them. Both the clients and representatives would suffer from such an action.

4. The Arizona Revised Statutes (A.R.S. § 44-1961 do not specifically provide for action based upon a cease and desist order. Therefore, there may be no procedural basis for the Commission to bring the action against Tower and Philip Lehman;

5. The SEC action, upon which the Arizona action is based, did not require the firm to curtail its operations in any manner. Therefore, an action for a revocation of Tower's license is a vast and inequitable departure from the SEC action; and

EXHIBIT
S-12
Adm.

6. Philip Lehman is willing to give up his license in Arizona (through voluntary means) in order to resolve the entire matter with the Commission.

We respectfully request that you and the hearing officer consider the above in order to come to a resolution in the above-referenced matter. We would like to request that the order against Tower Equities, Inc. be withdrawn or dismissed and an order against Philip Lehman only be entered. We can discuss the contents of the settlement order against Philip Lehman at your earliest convenience.

If you have any questions, please call me at (312) 346-8890.

BAM:bt
Enc/

Very truly yours,

Barbara A. Mallon

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

ARIZONA CORPORATION COMMISSION

BRIAN C. McNEIL
EXECUTIVE SECRETARY

MARK SENDROW
DIRECTOR

SECURITIES DIVISION
1300 West Washington, Third Floor
Phoenix, AZ 85007-2996
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FAX: (602) 594-7470
E-MAIL: accsec@ccsd.cc.state.az.us

February 9, 2001

BY FAX AND FIRST CLASS
(312-346-8896)

Barbara Mallon, Esq.
Mallon & Johnson
19 S. LaSalle Street
Chicago, Illinois 60603

RE: Matter of Tower Equities, Inc., et al., Docket #S-03439A-00

Dear Barbara:

Having reviewed your letter of January 31, 2001, the Securities Division is not persuaded that its action against Tower Equities, Inc., should be discontinued.

The six Tower Equities-associated salesmen who are registered in Arizona are all residents of other states, and they have 11 Arizona accounts among them. These six salesmen include Heath A. Lehman, Philip A. Lehman's son, and Kenneth R. Wiseman, who was described as a "sponsor" (together with Philip A. Lehman) in the private placement memorandum for Tower Venture 97-A, Ltd., in 1997. Both of these salesmen are also currently directors, officers and shareholders of Tower Equities, Inc., according to CRD filings by the company.

Based upon the foregoing it appears, at a minimum, that your assertion #2 ("Tower's involvement with the activities of Tower Venture 97-A is only through Philip Lehman who is no longer affiliated with the firm") is not correct. Tower Equities, Inc., was also "involved" with Tower Venture 97-A through Wiseman, and possibly others. In addition, there are three other issues as to which the SEC found Tower Equities, Inc. had committed violations of the securities laws. And it appears that Philip Lehman may well be still in control of, or able to substantially influence the policies of, the firm.

EXHIBIT
S-13
Adm.

I have enclosed a two-page information request. The Division requests both respondents to provide the information and documents specified, which are to be delivered to my attention at the Division not later than February 26, 2001.

Very truly yours,

Amy J. Leeson
Supervising Enforcement Attorney

Information request – Enclosure to Barbara Mallon, Esq., 2-9-01

For purposes of this information request, the term "the four issues" means the four issues that are named in paragraph 6 of the Notice of Opportunity for Hearing dated December 20, 2000, in this case, including Tower Venture 97-A, Ltd., Lifetime Assets, LLC, Baylor/Gavic, LLC, and Wellington, LLC, or any of them. Please provide the information requested in the form of a notarized, sworn statement of a person who has personal knowledge of the matters stated, unless a particular request specifies that documents should be provided:

1. Documents sufficient to show to whom offers or solicitations regarding any of the four issues were made, including each person's current address and telephone number, and address and telephone number at the time of the offer or solicitation.

2. Documents sufficient to identify (including name, address and telephone number, and contact person for any entity other than a natural person) all investors who provided funds for investment in any of the four issues, and the amount(s) and date(s) each investor supplied such funds.

3. Provide copies of all private placement memoranda and any other documents used in selling efforts of any of the four issues, and all due diligence files compiled by Tower Equities, Inc., or any person associated with that firm, in connection with the decision to approve any of the four issues for sale by Tower Equities, Inc., representatives.

4. Describe in detail the business and personal relationships between Heath Lehman (CRD #2395182) and Philip A. Lehman

5. Describe in detail the business and personal relationships between Kenneth Robert Wiseman (CRD #1345001) and Philip A. Lehman

6. Describe in detail the percent beneficial ownership interest, and management responsibilities, of Heath Lehman with respect to Tower Equities, Inc.

7. Describe in detail the percent ownership interest, and management responsibilities, of Kenneth Robert Wiseman with respect to Tower Equities, Inc.

8. Describe in detail the business and personal relationships between Philip A. Lehman and the following:

Kenneth Wayne Albert	CRD #2545456
Darla Faye Burris	CRD # 3169030
Marjorie Lynn Larson	CRD #852433
Dean Elmo Mings	CRD #1197212

9. Identify (including name, address, telephone number, and CRD number) each other person who was associated with Tower Equities, Inc., Tower Investment Services, or S&P Business Trust as of February 5, 2001 in any capacity, including without

limitation equity ownership, director, officer, employee, consultant, registered representative or principal, who are also related to Philip A. Lehman by blood, adoption or marriage (including stepparents and stepchildren). Specify the relationship(s) of each such person to the named business entities and to Philip A. Lehman.

10. Identify (including name, address, telephone number, and a contact person for any entity other than a natural person) all beneficial equity owners of Tower Equities, Inc., Tower Investment Services, S&P Business Trust, and any other entity that owns an interest in Tower Equities, Inc. Describe in detail the percent ownership interest of each equity owner in each such entity. Describe in detail any voting trusts or other voting arrangements regarding the equity interests in such entities, and provide copies of the same.

11. Documents sufficient to substantiate the firm's statement on CRD that all investor funds raised in connection with each of the four issues were returned to the investors, or documents sufficient to show the disposition of investors' funds if in fact all such funds were not returned to investors.

12. Provide account documents for all Arizona customer accounts as to which Tower Equities, Inc., currently serves as broker-dealer. Provide copies of periodic account statements for such accounts for the period January 1, 1997 through the present.

13. Provide current financial statements for Tower Equities, Inc., Tower Investment Services, and S&P Business Trust, and provide copies of all financial information that was supplied to the Securities and Exchange Commission in connection with its determination in September 2000, in SEC Administrative Proceeding No. 3-10024, that Tower Equities, Inc. was unable to pay a financial penalty.

14. Describe in detail the arrangements between Tower Equities, Inc., and the owner(s) of the building in which Tower Equities, Inc. has its offices. Identify the natural persons(s) who benefit from such arrangements.

MALLON & JOHNSON, P.C.

ATTORNEYS AT LAW

19 SOUTH LASALLE STREET • SUITE 1202

CHICAGO, ILLINOIS 60603

312-346-8890 • FAX: 312-346-8896

m-j@mallonandjohnson.com

www.mallonandjohnson.com

By Federal Express

March 6, 2001

Amy Leeson
Arizona Corporations Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: Tower Equities, Inc.

Dear Amy:

The following is a response to your request forinformation:

1. See Exhibit 1.
2. See Exhibit 1.
3. See Exhibits 2, 3, and 4;
4. Heath Lehman is Phil Lehman's son.
5. Kenneth Wiseman is the chief financial officer of Tower Equities,Inc., the brokerage firm, formerly owned by Philo Lehman;
6. Information to be forwarded within one week;
7. Information to be forwarded within one week;
8. The listed individuals are registered representatives of Tower Equities, Inc.;
9. A list of registered representatives, along with the ownership interests in Tower will be forwarded within one week;
10. See above.
11. See Exhibit 5;
12. Information to be provided within one week;
13. Information to be provided within one week;
14. Information to be provided within one week;

If you have any questions, please call me at (312) 346-8890.

BAM:bt
Enc/

Very truly yours,

Barbara A. Mallon

EXHIBIT
S-14
Adm.

ACC00001
S-3439A

MALLON & JOHNSON, P.C.

ATTORNEYS AT LAW

19 SOUTH LASALLE STREET • SUITE 1202

CHICAGO, ILLINOIS 60603

312-346-8890 • FAX: 312-346-8896

m-j@mallonandjohnson.com

www.mallonandjohnson.com

By Facsimile and Federal Express

March 27, 2001

Amy Leeson
Arizona Corporations Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: Tower Equities, Inc.

Dear Amy:

The following complete our response to your request for information. I have used the numbering in your letter to respond:

8. Heath Lehman owns 16.6% of Tower Investment Services, Inc., the owner of Tower Equities, Inc. His current management responsibilities are limited to the supervision of Florida representatives. As of April 1, 2001, he is divesting himself of any ownership interest in Tower, and will no longer work for the Company.

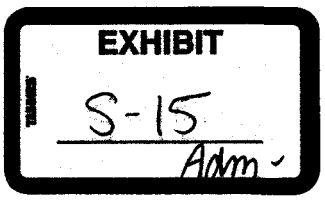
9. Ken Wiseman owns 16.6% of Tower Investment Services. His management responsibilities are that of a Chief Financial officer, namely, supervision of the accounting department, preparation of net capital computations and other financial matters.

11. Persons associated with the named entities who are also related to Phil Lehman and their relationships are as follows:

1. Sarah Merrick, owner of S& P Business Trust which owns 50% of Tower Investment Services, Inc. which in turn owns Tower Equities. She is the wife of Phil Lehman;

2. Greg Merrick, owner of 16.6% of Tower Investment; he is the stepson of Phil Lehman;

3. Heath Lehman, owner of 16.6 % of Tower Investment, he is the blood son of Phil Lehman;



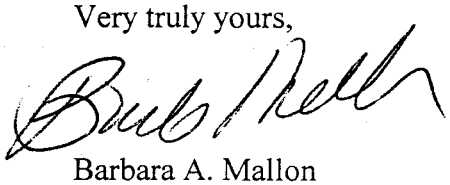
10. Please see items 6-9 above. They may all be reached at Tower Equities, Inc. at (937) 890-1988.

13. Please se the attached audit report for year end of 2000. Tower Investment and S & P Business Trust are holding companies only and have no financial statements. In addition, please find copies of the 1999 annual audited report, certain month's net capital computations and other information supplied to the SEC in April 2000.

I trust that this satisfies your information request. I am overnighting to you the financial documents because they are quite lengthy and didn't want to them garbled in the fax machine. I would like to call you by the end of this week and propose a settlement offer for the firm and Mr. Lehman. In the meantime, if you have any questions, please call me at (312) 346-8890.

BAM:bt
Enc/

Very truly yours,



Barbara A. Mallon

ACC00254
S-3439A

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

ARIZONA CORPORATION COMMISSION

BRIAN C. McNEIL
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TELEPHONE: (602) 542-4242
FAX: (602) 594-7470
E-MAIL: accsec@ccsd.cc.state.az.us

May 11, 2001

BY FAX AND FIRST CLASS
(312-346-8896)

Barbara Mallon, Esq.
Mallon & Johnson
19 S. LaSalle Street, Suite 1202
Chicago, Illinois 60603

RE: Matter of Tower Equities, Inc., et al., Docket #S-03439A-00

Dear Barbara:

Respondents have failed to respond in the following respects to the Division's request for information dated February 9, 2001:

- The request specified that the information sought by requests 4 through 10 was to be supplied "in the form of a notarized, sworn statement of a person who has personal knowledge of the matters stated," but respondents have provided no such sworn statement.
- The information provided in response to requests 1 and 2 is incomplete.
- The offering memorandum for Lifetime Assets, LLC, has not been provided in response to request 3.
- Requests 12 and 14 were not answered at all.
- In addition, the information provided with your letter dated March 27, 2001 was more than a month overdue.

The Division hereby requests that Respondents supply the following additional information, in the form of a notarized, sworn statement of a person who has personal knowledge of the matters stated: Describe in detail the post-secondary education and work experience, and identify all professional licenses held by, Sarah Merrick, and state whether Sarah Merrick is the

EXHIBIT
S-16
Adm.

mother of Greg Merrick. This information is to be delivered to my attention at the Division within one week of the date of this request.

I would appreciate being informed of the name, address and telephone number of the local counsel Respondents intend to use for the hearing. Generally we enter into agreements with respondents to exchange witness lists and copies of proposed exhibits, one week in advance of the hearing. Let me know whether you wish to discuss the possibility of such an agreement.

We have not yet received the settlement proposal on behalf of Respondents that you said in you March 27 letter you intended to make. I will be away from the office May 11 and May 14, returning on Tuesday the 15th. Call me then if you wish to discuss this matter, but be advised that we are not inclined to further extend the hearing date for such purpose.

Very truly yours,

Amy J. Leeson

TOWER VENTURE 97-A

CLIENT NAME	ADDRESS	PHONE	AMOUNT
L. Palumbo, GM - Lenjen Trust			$ 125,000.00
Louis J. Aguglia			$ 50,000.00
Robert H. Matheis			$ 75,000.00
Naomi Matheis			$ 50,000.00
David M. Siwicki			$ 50,000.00
Robert L. Donohue			$ 100,000.00
Al Sinal, GM - Scaramouche Trust			$ 150,000.00
Alfonse Muto, GM - Rosal Trust			$ 500,000.00
James B. McConville Doris L. McConville			$ 25,000.00
David H. Kindred, Director Yaweh Asset Management Co.			$ 100,000.00
William N. Anderson			$ 25,000.00
Malcolm B. Rutledge The Rutledge Family Trust			$ 25,000.00
Gary E. Wilcox Debra L. Wilcox			$ 50,000.00
Steven J. Welbourn			$ 50,000.00
Barbara A. Keable			$ 100,000.00
Patrick A. Calendo, Sr.			$ 25,000.00
Ronald J. Keable			$ 100,000.00
Kenneth D. Sauerberg Marilyn S. Sauerberg			$ 50,000.00
Anthony P. Dimino			$ 25,000.00
Robert P. Harper Christie A. Harper			$ 25,000.00
Dr. P.K. Parikh Trustee of Money Purchase Plan			$ 75,000.00
Andrew R. Wenk			$ 25,000.00

EXHIBIT
S-17
Adm.

ACC00002
S-3439A

EXHIBIT
A

TOWER VENTU

CLIENT NAME	ADD	PHONE
H. Charoson Charitable Trust		
Ri B. Komm		
Wi N. Sproul Nis Asset Management Co.		
Ru G.K. Strobel		
De h O. Court		
Lou A. Trotta P.I. Asset Management Co.		
Bre a K. Klockenga Kim lockenga		
Dan l Brian Cobb		
Tol Surigal Assoc. Def d Benefit Pension Plan		
Rob t W. Gruen Jan S. Gruen		
Joh K. Kelly Ken Kelly		
Smith		
Ge ge Albert Opitz		
Lou F. Flohr Ma Flohr		

Program	Investor	Date	Amount	Total Interest	%	Interest Check	
Baylor/Gavic	Philip Anibal	11/25/98	200,000	10,020.47	0.05	501.02	
Baylor/Gavic	Alti Lauderdale/Sterling Trust Co	11/24/98	100,000	10,020.47	0.03	300.61	Sterling Trust Co
Baylor/Gavic	Joe M. Montesi, Sr	10/30/98	100,000	10,020.47	0.05	501.02	
Baylor/Gavic	Louis & Marlene Flohr	9/3/98	1,000,000	10,020.47	0.77	7715.76	
Baylor/Gavic	LSJ Alliance LLC/Bruce Yates	11/24/98	100,000	10,020.47	0.03	300.61	Bruce Yates
Baylor/Gavic	Steven J. Welbourn	10/20/98	100,000	10,020.47	0.06	601.23	
Baylor/Gavic	**Alti Lauderdale/Sterling Trust Co**		**156,000**	10,020.47	**0.01**	100.20	**Sterling Trust Co**
Baylor/Gavic	**Charlie Lauderdale/Sterling Trust Co**		**44,000**	10,020.47	**0.00**	0.00	**Sterling Trust Co. IRA #**
Baylor/Gavic	**Donald A. Gregornik**		**100,000**	10,020.47	**0.00**	0.00	
Lifetime Assets	James & Doris McConville	10/21/98	95,000	6,418.60	0.04	256.74	
Lifetime Assets	Malcolm Rutledge/Sterling Trust	10/21/98	275,000	6,418.60	0.13	834.42	Sterling Trust Co. IRA #46349
Lifetime Assets	David K. Straight	10/21/98	100,000	6,418.60	0.05	320.93	
Lifetime Assets	Mary & Larry Williams	10/21/98	300,000	6,418.60	0.14	898.60	
Lifetime Assets	Wilton & Clara Marie Vaugh Revocable Trust	10/21/98	100,000	6,418.60	0.05	320.93	Clara Marie Vaugh Trustee
Lifetime Assets	Felice & Lea Zonzini	11/24/98	100,000	6,418.60	0.02	128.37	
Lifetime Assets	Samuel B. Cole	11/17/98	100,000	6,418.60	0.03	192.56	
Lifetime Assets	Douglas F. Patrick	11/20/98	100,000	6,418.60	0.02	128.37	
Lifetime Assets	John A. Hagins, Jr	11/20/98	300,000	6,418.60	0.07	449.30	
Lifetime Assets	William G. Hagler	11/20/98	100,000	6,418.60	0.02	128.37	
Lifetime Assets	UTAH Skyline Enterprises, LLC	11/24/98	200,000	6,418.60	0.04	256.74	Edward A. Johnson Mgr
Lifetime Assets	Eugene C. Covington, Jr.	11/20/98	100,000	6,418.60	0.02	128.37	
Lifetime Assets	Randolph G. Roulier	11/24/98	200,000	6,418.60	0.04	256.74	
Lifetime Assets	Terry E. Richardson, Jr.	11/20/98	300,000	6,418.60	0.07	449.30	
Lifetime Assets	Graham Charitable Trust/John A. Graham	11/20/98	100,000	6,418.60	0.02	128.37	John A. Graham
Lifetime Assets	Joseph Bruno/Sterling Trust Co	11/16/98	100,000	6,418.60	0.03	192.56	Sterling Trust Co. IRA #46875
Lifetime Assets	Joseph & Gladys Bruno	10/21/98	50,000	6,418.60	0.02	128.37	
Lifetime Assets	Robert & Jane Gruen Revocable Trust	10/21/98	180,000	6,418.60	0.08	513.49	Robert W. Gruen
Lifetime Assets	Robert Gruen IRA	11/20/98	200,000	6,418.60	0.05	320.93	
Lifetime Assets	Romula Parungo/Sterling Trust CO	11/20/98	53,000	6,418.60	0.01	64.19	Sterling Trust Co IRA #46974
Lifetime Assets	Romulo & Josefina Parungo	11/20/98	24,000	6,418.60	0.01	64.19	
Lifetime Assets	Josefina Parungo/Sterling Trust Co	11/20/98	23,000	6,418.60	0.01	64.19	Sterling Trust Co IRA #46975
Lifetime Assets	H.G. Richardson Charitable Trust	11/13/98	100,000	6,418.60	0.03	192.56	Homer Richardson
Lifetime Assets	**Terry Phillip Harvey**		**100,000**	6,418.60	**0.00**	0.00	
Wellington	DuCorp Investar LLC/Oscar D. Corpuz	11/24/98	100,000	208.96	0.12	25.08	Oscar D. Corpuz
Wellington	Joon Yoon	11/12/98	500,000	208.96	0.88	183.88	

PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS

Tower Venture 97-A Offering period ending May 1, 1997 has been extended from May 1, 1997 to March 30, 1998.

Tower Venture 97- A, LTD, An Ohio Limited Liability Company
Offering Consisting of
Ownership Interest In and Obligations From Tower Venture 97-A, LTD
("Company")
$10,500,000
Offered From February 20, 1997 through May 01, 1997
(May be extended to December 01, 1998. See Period of Offering)
Sponsor: Tower Venture, a Business Trust.

	Price to Investor(1)	Selling Commission(2)	Net Proceeds For Investing(3)
Minimum Per Investor	$ 25,000	None	$ 25,000
Maximum for Offering	$ 10,500,000	None	$ 10,500,000

(1) A minimum of four (4) $25,000 Units per Investor. The Sponsor may allow, in his sole discretion, an Investor to acquire fewer than four (4) Units amounting to a minimum of $100,000 For each Unit purchased, The Company will issue to the Investor one Share Certificate

(2) Each Investor may be represented during the term of this investment by an Investment Advisor. (See Suitability and Advisors and Use of Proceeds)

(3) This offering is an all or nothing offering for $10,500,000. (See The Offering).

THIS OFFERING IS AVAILABLE ONLY TO "ACCREDITED INVESTORS." THE INVESTOR MUST BE AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE INVESTOR SHOULD CONSULT IT'S OWN LEGAL COUNSEL, ACCOUNTANT AND/OR OTHER PROFESSIONAL ADVISORS AS TO LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THIS OFFERING. (See Suitability and Advisors)

THE VALIDITY, COLLECTABILITY AND PROCESSING OF THE IRREVOCABLE STANDBY LETTER OF CREDIT IS THE MOST SIGNIFICANT RISK ASSOCIATED WITH THIS INVESTMENT. (See Risk Factors Unique to this Investment and Suitability and Advisors.)

THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES AGENCY HAS PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THIS OFFERING, THE LOAN AGREEMENT OR SAID NOTE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE PURCHASE OF THIS INVESTMENT SHALL NOT BE THE RESULT OF ANY OFFER OR SOLICITATION OF AN EXEMPT SECURITY, OR EXEMPT TRANSACTION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON OTHER THAN THE SPONSORS HAVE BEEN AUTHORIZED TO GIVE ANY INFORMATION (OTHER THAN THAT CONTAINED IN OTHER DOCUMNETS REFERRED TO HEREIN) OR TO MAKE ANY REPRESENTATIONS CONCERNING THIS OFFERING OTHER THAN THOSE CONTAINED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

EXHIBIT
Ex. 2 S-18
Adm.

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THE OFFERING

The proceeds received from the Investors of this offering will be used to fund the Company.

In general, the first transaction of the Company will be to enter into a $30,000,000 secured long-term loan transaction in joint venture with Karlinmar Corporation. This loan transaction requires a loan repayment premium to be paid by the Company in the amount of $10,000,000. This premium will be paid only after an adequate Standby Letter of Credit is accepted. The Standby Letter of Credit is to assure receipt of the loan proceeds to be received in three installments during the year subsequent to the premium payment. The share of net loan proceeds after loan premium but before loan costs to the Company amounts to $20,000,000. The amount of $13,500,000 will first be invested in short-term investments to be liquidated and distrubted to the Investors during the year (Primary Distribution). The balance estimated at $6,350,000 after the Company share of loan costs, will fund the Venture Capital Account. The following paragraph presents this same information in more detail.

More specifically, the first transaction of the Company will be to enter into a $30,000,000 secured long-term loan transaction ("Loan Transaction") as a co-venturer in a joint venture with the Karlinmar Corporation representing a number of entities in two groups: the Karlinmar Group and the Venture Group. The joint venture will be named and designated The Tower Joint Venture I ("Joint Venture"). The loan Transaction requires a $10,000,000 loan repayment premium paid on behalf of the Joint Venture by the Company (as the funding member of the Joint Venture) prior to receiving the loan proceeds. The loan proceeds, secured by a standby letter of credit, are to be provided subsequently during the year and will be distributed to the coventurers as agreed in the Joint Venture Agreement and pursuant to escrow instructions. A portion of the net loan proceeds in the amount of $13,500,000 will be paid to the Company and used to acquire short term investments which are expected to be liquidated during the year and distributed to Investors. The Company will receive an additional portion of the net loan proceeds in the approximate sum of $6,350,000 (subject to a cost/fees variable) for the Venture Capital Account. (See Secured Long-Term Loan, Venture Capital Account and Use of Proceeds). These additonal net loan proceeds will be invested through The Venture Capital Account, which will involve the purchase of viatical insurance contracts.

In the event that an SLC is not received or can not be authenticated properly, all funds will be returned to investors plus interest earned. Tower Venture 97-A will not pay any fees to advisor or managing member until SLC is received and authenticated. (See Risk Factors unique to this investment)

PERIOD OF OFFERING

The period of this Offering is from February 20, 1997 until May 01, 1997. The Period of this Offering may be extended to December 01, 1998 at the sole discretion of the Sponsor.

SUMMARY OF SECURED LONG-TERM LOAN TRANSACTION

The proposed Loan Transaction is described in detail in Exhibit A hereto entitled "Overview of Secured Long-Term Loan Transaction." Reduced to its essentials, the Loan Transaction consists of four (4) primary events:

(a) deposit of the loan payment premium ("loan premium") in escrow;
(b) receipt and approval of the confirmed standby letter of credit securing receipt of loan proceeds;
(c) payment of the loan repayment premium ("loan premium");
(d) receipt of loan proceeds in three installments as guaranteed by the standby letter of credit.

In the proposed Loan Transaction, the borrower is the joint venture formed by Karlinmar Corporation (proprietary co-venturer) and the Company (funding co-venturer). Karlinmar Corporation will furnish the opportunity, proprietary information and documents, and the Company will supply funds to pay the "loan premium" and close the loan. Receipt of the loan proceeds is guaranteed by the standby letter of credit ("SLC") which is issued by a major European bank and confirmed by a major American bank. The major American confirming bank then directs the closing bank to advise the beneficiary of the SLC (the joint venture) of the existence and authenticity of the SLC.

Perhaps the most important feature in this Loan Transaction is that the SCL is received and approved in writing by the joint venture before the loan premium funds are disbursed out of escrow to the lender. The Company, as the managing co-venturer which puts up the loan premium funds, selects the Closing bank (escrow holder). Following such execution of the loan agreement and escrow instructions, the Company will deposit the amount of the loan premium into the escrow. Following funding of the escrow, the SLC is issued at the direction of the European lender by a major European bank, confirmed by a major American bank, and the American bank then instructs the closing bank to advise the joint venture regarding the letter of credit. Only after the Company, as the managing member of the joint venture, has given written notice of its approval and acceptance of the SLC to the escrowholder (the closing bank), will the loan premium funds on deposit in the escrow be disbursed to the lender per the escrow instructions.

The loan proceeds will be paid to the joint venture's account in the escrow bank in three equal $10,000,000 installment draws following the effective date of the SLC, as follows: 100 days; 190 days; and 280 days. Each of the loan proceeds draws is secured by the SLC, for an aggregate amount of $30,000,000.

The term loan is ten (10) years, with interest payable annually in arrears and principal at term. However, payment of the loan premium at the outset of the transaction has the effect of liquidating the obligation of the loan repayment over the ten year term of the loan. The loan is liquidated over the term of the loan and the borrower need make no further payment on the loan after the payment of the loan premium at the outset of the transaction. The promissory note for the loan expressly provides that the note is not assignable and that the obligation is to be offset by lender's obligation to liquidate the loan. Consideration for the lender's obligation to liquidate the loan includes payment of the loan premium and participation by associates of lender in projects of the Karlinmar Group funded by loan proceeds disbursed to the Karlinmar Group.

As indicated in the Overview (Exhibit A hereto), forms for all documents utilized in the transaction have been developed by Karlinmar and are available for review by the Company as a co-venturer. In order to qualify for such a loan, both members of the joint venture (borrower) must submit proposed projects for use of at least ninety percent (90%) of their respective portion of the loan proceeds.

Under the joint venture agreement, loan proceeds in an amount equal to the loan premium are paid to the Company and the balance of the loan proceeds are divided evenly between Karlinmar and the Company. The SLC costs including cost of SLC confirmation (not to exceed 1% of the total loan proceeds) are initially borne by the lender as a front end cost and are withheld by the lender for reimbursement from the loan proceeds disbursed to the joint venture.

As described in the Overview, the Company will be the managing member of the joint venture. This assures that the Company, which puts up the loan premium funds, will have the authority to accept and approve the SLC. Pursuant to the joint venture agreement executed between Karlinmar and the Company as co-venturers, the loan proceeds, or, in the event of default the SLC payment proceeds, are distributed to the respective co-venturers through the escrow account maintained for that purpose at the closing bank.

In summary, the most critical steps of the transaction are the funding of the loan premium in escrow by the Company on behalf of the joint venture, the notice given by the escrow bank to the lender of such funding, the issuance and receipt of the SLC, and the written notice of acceptance and approval of the SLC by the Company on behalf of the joint venture to the escrow bank. As a result of the foregoing procedure, the funds deposited by the co-venturer on behalf of the joint venture (borrower) in escrow will not be disbursed unless and until such written notice of approval and acceptance of the SLC is issued by the Company as managing member of the joint venture and is received by the escrow bank. If such notice is not received within the escrow deposit period, the funds on deposit in the escrow for payment of the loan premium will be returned to the Company. Following acceptance and approval of the SLC the loan premium is then paid out of escrow to the account of the lender. The SLC provides excellent security as an independent undertaking by both the issuing bank and the American confirming bank guarantees that the loan proceeds will be paid. Payment of loan proceeds are made in three (3) installments during the 280 days following the effective date of the SLC. (See Exhibit A "Overview of Secured Long-Term Loan Transacctions" for further detail regarding the long-term loan transaction.)

PRIMARY DISTRIBUTION

Each Investor is a Class II Member of Tower Venture 97-A, LTD (The "Company"). As a Class II Member, each Investor's interest in the Company is represented by Share Certificates issued to the Investor for capital contribution to the Company made by the Investor. Such capital contribution is broken down into minimum Units of $25,000 each. For each $25,000 Unit purchased, the Investor receives one Share Certificate. Multiple Units purchased may be represented by a single Share Certificate.

The Primary Distribution is a distribution of funds made only to the Class II Members of the Company (Investors) from the proceeds of the Short-Term investments of $13,500,000 of loan proceeds. From the proceeds of the Short-Term investments activities, each Investor receives an aggregate total of $32,141 for each Unit held by the Investor. After deducting investors fees and costs from the amount of said Primary Distribution, the net amount received for each Unit shall be the sum of $29,891. See Exhibits B-1, B-2, and B-3.

After allocation of loan proceeds is made to short-term investments from each loan installment, the balance is allocated to the Company's Venture Capital Account. (See "Use of Proceeds" herein below and Exhibits B-1, B-2, and B-3). Also, note that loan proceeds are also allocated for disbursement from each installment to the Karlinmar Group (Exhibit F) and to the Venture Group (Exhibit E) and for the payment of SLC fees.)

VENTURE CAPITAL ACCOUNT

The Venture Capital Account will consist of net loan proceeds paid to the Company out of escrow net loan proceeds minus primary distribution in the sum of $13,500,000 distributed to investors (see Exhibit B). The Venture Capital Account will invest in the purchase of viatical insurance policies ("insurance buyout") under a program approved by the sponser and described below. The distribution of funds and securities from the Venture Capital Account will be divided and disbursed 25% to investors and 75% to sponsors. These distributions will be made periodically based on receipts from insurance policy payouts and resulting availability of funds. All accounting and tax preparation will be completed by the sponsor. The fees for such services will be 1% of monies in Venture Capital Account billed annually. (See Exhibit B for fund availability.)

INSURANCE BUY OUT

An Insurance Buy Out is the purchase of a life insurance policy from the owner by a third party. The seller sells and assigns the policy in exchange for an immediate payment of a percentage of the policy's face value. The beneficary of the policy is changed and pay out of insurance proceeds are assigned to buyer or buyers assignee.

Those stricken with life limiting disease often exhaust all of their financial resources. Even American's finest citizens who have lived successful, productive lives can be forced into destitution. A study of just 2,331 families of seriously ill patients at five major U.S. Medical Centers found that a third had drained all of their savings. Many terminally ill people have no family. A valid insurance policy could be the only negotiable asset a dying person has left. Insurance Buy Out can help the dying avoid public assistance programs, get better health care and live out the remainder of their lives in financial comfort.

Insurance Buy Out can provide both life and death with dignity. It is a win/win transaction.

OVERVIEW

With the recent increase in terminal illness, especially certain types of cancer, the idea of Insurance Buy Out is developing rapidly. In 1995, insurance policies sold totalled more than $400,000,000. The Insurance Buy Out has nation-wide support from health organizations and the gratitude of countless patients who have benefitted from this cash settlement.

THE INSURANCE BUY OUT PROCESS

As sponser, Tower Venture has indentified a number of life insurance buy-out companies which meet Tower Venture's strict purchase and escrow requirements. From among these qualified companies Tower Venture has chosen several Insurance Buy-Out Companies (IBOC). The life insurance buy-out companies will be contracted to provide the insurance buy out process to our specifications. Funds from the Venture Capital Account will be loaned to (invested with) IBOC for the viatical insurance buyouts by IBOC. Proceeds from the payout of said life insurance policies are pooled in escrow with other such proceeds received by IBOC to assure the timely receipt of such proceeds based on the average of the underlying life expectancies of sellers. The Capital Venture Account is paid out of said IBOC escrow as follows: the principal plus 33% interest at the end of one (1) year.

IBOC buys paid up, group policies from the top 25 U.S. Insurance carriers rated by Standard and Poor's. To qualify for an insurance buy out, policyholders must be certified by IBOC doctors as having six months or less to live. Sellers receive their money within 72 hours after the buy out contract is signed and the transfer of the beneficiary is confirmed. The buy out process is as follows:

STEP 1: A physician, hospice, social worker, family member or friend contacts IBOC and a meeting is arranged with the terminally ill person (seller) to discuss his/her situation. IBOC recommends that the seller seek representation by legal counsel and advice from accountants with regard to tax issues. If the person has a paid up, group policy and wants to sell, IBOC verifies that the policy is valid and in force.

STEP 2: After verification, the seller signs a release permitting a physical examination by a IBOC hematologist and oncologist. In the event that the person is too ill to undergo such an exam, the IBOC physician will evaluate medical records and discuss the case history with each of the seller's previous attending physicians. The IBOC physician then submits a prognosis. The seller's life expectancy must be six months or less to be accepted by IBOC.

STEP 3: An experienced psychiatrist conducts a mental evaluation to determine that the seller is of sound mind and can enter into a legal agreement. If a fit state of mind is verified, an agreement is signed in which IBOC will pay a percentage of the face value of the person's policy in exchange for transfer of the ownership of the policy and change of the sole beneficiary designation.

STEP 4: An agreement is signed for the sale of the insurance policy to IBOC, in which the seller receives a payment equal to a percentage of the policy's face value and IBOC is named sole, irrevocable beneficiary. (See Exhibit H) The Company is not the named beneficiary of any single policy purchased, since this could extend the Company's payoff time in the event the seller lived longer than expected. IBOC is the purchaser - owner of the insurance policies and is also the new designated beneficiary. Both IBOC and the Company are parties to the escrow into which the insurance proceeds will be paid and disbursed pursuant to a loan agreement and escrow instruction. The escrow holds the policy as collateral for the benefit of the Company as the lender to IBOC.

STEP 5: The beneficiary transfer papers are forwarded to the insurance carrier and to the escrow officer with IBOC's instruction and authorization for the insurance carrier to pay proceeds to the escrow upon the Seller's death. The irrevocable change of beneficiary cannot be contested after death by a family member. Unlike a will, life insurance cannot be challenged since it is deemed a personal commodity and the person has the right to sell it.

STEP 6: Funds from The Capital Venture Account loaned to invested with IBOC are deposited by the Company into a escrow account.

STEP 7: The final stage of the transaction commences when the seller dies. A certified copy of the death certificate is forwarded to the insurance carrier. After the insurance company processes the claim, the beneficiary proceeds check is sent directly to the escrow account as directed by IBOC and The Company. There is an injunction clause in the insurance buy out agreement that circumvents litigation and enables a judge to order the insurance carrier to pay the escrow even in the unlikely event of litigation.

STEP 8: The Capital Venture Account of the Company is paid funds from the insurance proceeds in escrow in accordance with the investment loan agreement between the Company and IBOC and per the escrow instructions. Each such investment loan agreement provides for payment out of escrow to the Capital Venture Fund of the principal plus 33% interest at the end of one (1) year.

SUITABILITY AND ADVISORS

This investment is offered to accredited investors only. In offering this investment, the Sponsor has the responsibilities of "issuer" of this offering, which is exempt pursuant to Regulation D, Rule 506 of the Securities and Exchange Commission of the United States ("S.E.C.").

The SEC, in Rule 501 of Regulation D, includes the following entities and Persons as accredited investors:

(1) Any bank, savings and loan association, broker or dealer, insurance company, investment company, business development company, Small Business Investment Company, and some employee benefit plans.
(2) Any private business development company.
(3) Any organization, corporation, business trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5 million.
(4) Any director, executive officer or general partner of the issuer or of a general partner of the issuer.
(5) Any person whose individual net worth, or joint net worth with spouse, at time of purchase exceeds $1 million.
(6) Any person who had an annual individual income in excess of $200,000 in the past two years or annual joint income with spouse in excess of $300,000 in those years and has a reasonable expectation of reaching the same income level in the current year.
(7) Any trust, with total assets in excess of $5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person.
(8) Any entity in which all of the equity owners are accredited investors.

THE JOINT VENTURE AGREEMENT CONTEMPLATES THAT THE INVESTORS WILL BE KNOWLEDGEABLE AND SOPHISTICATED IN UTILIZING EXPERTS, AS APPROPRIATE, TO EVALUATE THE DOCUMENTS.THIS COULD INCLUDE ATTORNEYS AND BANKERS KNOWLEDGEABLE ABOUT STANDBY LETTERS OF CREDIT AND INVESTMENT ADVISORS TO ASSIST IN THE CONTINUING GENERAL VALUATIONS AND PERFORMANCE OF THE UNDERLYING AGREEMENTS (PARTICULARLY THE SLC AND INSURANCE BUY OUTS) DURING THE TERM OF THE INVESTMENT. THE SPONSOR WILL ALSO RELY ON THE INVESTOR'S INVESTMENT ADVISORS IN DETERMING SUITABILITY OF INVESTORS. ALL FILES WILL BE AVAILABLE AT:

TOWER GROUP
8141 N. MAIN STREET
DAYTON, OHIO 45415

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RISK FACTORS UNIQUE TO THIS INVESTMENT

The Investors are expected to consider, independent from this offering document, all of the normal risks associated with investing in these types of investments and all of the risks unique to the viaticals insurance contracts. The SLC information below is unique to the Secured Long-term Loan Transaction. (See Suitability and Advisors and Availability of Information and Documents).

None of the principals involved with Tower Venture, Tower Venture Group, Tower Equities, Inc. and Karlinmar Group have experience either with the Secured Long-term Loan Lender or this type of offshore transaction. Further, all of these entities have been organized with no capital and the principals are not personally liable for any losses. Accordingly, Investors will be expected to be responsilbe for all losses, if any, resulting from this investment.

The Loan Agreement provides for the issuance of a SLC assuring payment of the loan proceeds. In light of the guarantee provided by the SLC, the lender plans to disclose only limited information about itself (see The Offering). This is in accordance with the mercantile custom of foreign entities relying on their banking relation to expedite transactions rather than on time-consuming disclosures and investigation to determine economic strength and credit worthiness. Therefore, the Company and Investors must rely solely on the SLC for assurance of payment of the loan. Accordingly, the risk factors unique to this investment relate to the SLC as follows:

1. Validity of The SLC:

   When entering into this investment, the most important factor is whether the SLC issued is drafted adequately to achieve its objective as contemplated in this investment, which is the absolute assurance, subject to items 2 and 3 immediately below, that the Loan Proceeds due and payable under the Loan Agreement will be paid by the SLC issuing bank or confirming bank in the event of payment default. Confirmation of the SLC by a major American bank will serve the function of validation and authenticate the SLC. (See Suitability)

2. Ability of the SLC issuing bank or confirming bank to honor a draw, upon default of the Note:

   Rather than undertaking the time consuming task of providing sufficient evidence of credit worthiness to the joint venture (borrower), the lender will secure payment of the Loan with an SLC issured by one of the major European commercial banks. The SLC will be confirmed by a major U.S. commercial bank. The co-venturers, as members of the borrowing joint venture, therefore, will rely solely on the financial ability of the SLC issuing bank or confirming bank to honor a draw, in the event of the default of the lender in failing to pay the loan proceeds under the Loan. (See Suitability and Advisors)

3. Timely and proper draw in the event of default.

   Upon default, the Company, as managing venturer, through the escrow at its escrow bank will have a limited period of time under the SLC in which to properly present documents to the SLC issuing bank or confirming bank to draw under the SLC. (See Suitability and Advisors)

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TAX ASPECTS

Set forth below is a limited summary of the more important tax consequences generally affecting an individual investor arising from the Company's participation in the long-term loan transaction and the Venture Capital Program. Additionally, the summary should not be considered as a substitute for individual tax planning since, among other things, it is not possible to predict the effect on each investor's personal tax liability on the matters discussed herein.

EACH PROSPECTIVE INVESTOR SHOULD OBTAIN ADVICE FROM HIS OWN TAX COUNSEL TO SATISFY HIMSELF AS TO THE INCOME AND OTHER TAX CONSEQUENCES AFFECTING HIM ARISING FROM THE COMPANY'S PARTICIPATION IN THE LONG-TERM LOAN TRANSACTION AND THE VENTURE CAPITAL PROGRAM. No assurance can be given that legislative, judicial or administrative changes may not be forthcoming which would effect the accuracy of the summary, or which could retroactively affect transactions already entered into.

The Company, as a limited liability company, expects to be a taxable income pass-through entity. Accordingly, the Investors will be taxed individually on taxable income of the Company. This would include any net income from investments. In addition, the Secured Long-term Loan proceeds less the related premium will be considered taxable income because of the absolute right of offset. The time of taxability could be determined as either the time of receipt of loan proceeds or prorata over the ten year term of the loan. The Company has not yet determined which of these two alternatives it will use for income tax reporting.

USE OF PROCEEDS

The entire proceeds from Investors will be used to pay the Loan Premium required in this investment, Investment Advisor Fees, Bank Escrow Fees and other Estimated Fees (see The Offering and Secured Long-Term Loan Transaction Summary).

		Amount (000's Omitted)
USE OF INVESTMENT PROCEEDS - LOAN PREMIUM		
Investment proceeds from this Offering		$ 10,500
Use of Investment Proceeds:		
Investment Advisory Fees		315
Bank Escrow Fees		100
Other Estimated Fees		85
Loan Agreement loan repayment premium		$ 10,000
Total		$ 10,500
USE OF NET LOAN PROCEEDS - PROJECTS AND FEES: (See Exhibit B-1 and B-2)		
Loan Agreement loan proceeds, less estimated SLC FEE (including confirmation) of $300,000		$ 29,700
Allocation of Loan Agreement net loan proceeds for projects and fees:		
Karlinmar Group (Exhibit F)		
Fees	$2,250	
Independent Projects	5,138	$ 7,388
Venture Group (Exhibit E)		
Fees	$ 750	
Independent Projects	1,712	$ 2,462
The Company Primary Distribution, Venture Capital Account, for projects and fees.		$ 19,850
Total		$ 29,700

AVAILABILITY OF INFORMATION AND DOCUMENTS

The final documents to be executed in connection with this Offering are not included because each document is subject to certain changes as may be required by the various parties, including the investor as represented by advisors. Once an investor is qualified, the appropriate draft documents for the specific transaction will be provided to said prospective investors for review and negotiation.

All other significantly relevant, non-confidential information of the Sponsor and Karlinmar Corporation, including key officers, will be made available by Sponsor to all Investors at the proper time for making an adequate evaluation prior to investing. (See Suitability and Advisors)

SPONSOR

Tower Venture is a common law business trust created pursant to Chapter 1746 of the Revised Code of the State of Ohio and formed for the purpose of acting as managing member to Venture Capital Programs, including Tower Venture 97-A, LTD ("the Company"). The principal directors of Tower Venture are part of the Tower Group, and are as follows:

PHILIP A. LEHMAN, born December 16, 1939, is the Chairman, Vice President and Chief Compliance Officer of Tower Equities, Inc. since its formation in April 1984. Tower is a member of the National Association of Securities Dealers and Registered Investment Advisor, Registered with the SEC. He has served as President, Chief-Executive Officer, and a Director of ENINUN, Inc. since its formation in 1979. Mr. Lehman has also served as president, chief executive officer, and a director of Tower Equities Agency, Inc., since March 14, 1989. Mr. Lehman attended Ohio University in Athens, Ohio. He also attended the University of Dayton, where he majored in finance and management. He is licensed in the State of Ohio as Realtor, Insurance Agent, NASD Broker, and is a Para-legal authorized by Edward Bartolli, J.D.L.L.M. Mr. Lehman also has extensive experience in private placement of securities and syndication work.

KENNETH R. WISEMAN, born October 17, 1940, is a Certified Public Accountant. He has served as Treasurer and a Director of ENINUN, Inc. since May 1985 and September, 1982 respectively. He has also served as Secretary/Treasurer and Director of Tower Equities, Inc. since April, 1984. He is a 1966 graduate of Ball State University, Munice, Indiana where he received a B.S. degree with a specialty in Accounting. He is a member of the Ohio Society of Certified Public Accountants and the American Institute of Certified Public Accountants. Mr. Wiseman is currently self employed as a Financial Consultant and is serving as Director, Secretary/Treasurer of the Spectra Group. He was a partner in the firm of Wiseman, Kotecha & Smith CPAs from 1978 to 1982. He also served as Treasurer of Tom Harrigan Oldsmobile, Inc., an automobile dealership; and TDC, Inc., a research and development company. Prior thereto, he was employed by the Reynolds & Reynolds Company from 1974 to 1978. From 1964 to 1974, Mr. Wiseman was affiliated with Deloitte, Haskins and Sells, CPAs.

CONFLICT OF INTEREST

This Offering contains the potential for conflicts of interest involving the Sponsor and affiliated entities and their principals arising from cross-ownerships and/or control, compensation plans, and other relationships.

Mr. Philip Lehman is the CEO and principal shareholder of the Sponsor of this Offering, Tower Venture, an Ohio business trust, which will manage the escrow funds pending full subscription of the Offering. Mr. Lehman is the CEO and principal stockholder in Tower Equities, Inc., the brokerage firm which serves as the underwriter and investment advisor to Tower Venture and as the investment advisor to Tower Venture 97-A, LTD, the Offeror. Tower Venture has an ownership interest in, and is the managing director of, Tower Venture 97-A, LTD, which will receive and own the proceeds of the Offering after the Offering is fully subscribed and the investment escrow is broken.

Tower Venture is a member of a group of individuals and entities ("Venture Group") which will participate in the Venture capital account of Tower Venture 97-A, LTD.

Mr. Lehman will receive substantial compensation upon the successful completion of this Offering from each of the above named entities. Investors should consider reviewing with the Sponsor all of the various relationships and sources and amounts of compensation relating to transactions contemplated by this Offering.

OVERVIEW OF SECURED LONG-TERM LOAN TRANSACTIONS

The following is a summary of the standard secured long-term loan transaction made available to Karlinmar Corporation ("Karlinmar") and its qualified co-venturers. Over a period of years Karlinmar, through one of its principals, attorney John L. Runft, has developed a standardized secured loan transaction for the financing of projects through a European lender. The Lender will be Credit Austerlitz Finances, Ltd. ("Credit Austerlitz"), an Irish corporation. Although authorized by the Lender to present this secured loan program to its potential co-venturers, Karlinmar is not an agent or partner, or co-venturer with the Lender. However, associates of the Lender may participate in the loan transaction as borrower co-venturers directly or will, in most circumstances, be represented by Karlinmar in the transaction or in projects funded by loan proceeds.

Karlinmar and several associated companies, for which Karlinmar acts as agent in its own name, have invested substantial consideration in conjunction with Credit Austerlitz in the development of this standard transaction and other programs. Karlinmar is compensated for its investment in the development of the transaction programs by means of its participation in the joint venture formed with each co-venturer which provides initial funding for the loan transaction. This initial funding in combination with project assets generates the loan, the proceeds from which provide financing for the project(s) of the individual venturers. Karlinmar seeks qualified co-venturers to provide funds for payment of the initial funding of the loan repayment premium, hereinafter described "Loan Premium," which is required to initiate a loan transaction. Each such co-venturer who provides such initial funding must meet the requirements of an "accredited investor" within the meaning of Regulation D promulgated under the U.S. Securities and Exchange Act of 1933, as amended, in order to qualify as a co-venturer in the loan transaction.

A loan transaction commences with the execution of a Joint Venture Agreement between Karlinmar and the co-venturer(s). This Joint Venture Agreement forms the joint venture, which is limited in scope to the contemplated loan transaction. Each venturer under the Joint Venture Agreement is vested with the right to receive a determined portion of the loan proceeds received from the loan transaction. The ownership interest of the respective parties of the joint venture in the loan proceeds is established in the Joint Venture Agreement.

Since the co-venturer provides the funding for the payment of the Loan premium in order to initiate the loan transaction, the co-venturer is placed in the position of managing venturer under the Joint Venture Agreement and thereby in control of the loan transaction on behalf of the joint venture.

Pursuant to the Joint Venture Agreement, the Joint Venture is the borrower and will enter into a Loan Agreement with the Lender, Credit Austerlitz. Pursuant to the Loan Agreement the Borrower and Lender will enter into an Escrow Agreement with the closing bank and establish an escrow account for the receipt and disbursement of loan proceeds received by the borrower under the loan transaction. The closing bank will be given escrow instructions in the Escrow Agreement to pay Karlinmar and the Co-venturer monies out of the escrow account in accordance with their respective shares of the net loan proceeds. As provided in the Joint Venture Agreement, the loan transaction will be conducted under and pursuant to the "Loan Agreement", the form of which is attached to the Joint Venture Agreement as Exhibit "A". The Loan Agreement sets forth the terms of the loan to be obtained by the Borrower from Credit Austerlitz, denominated therein as the "Lender."

Under the terms of the Loan Agreement, the Borrower initially pays a "Loan Premium" to Lender equal to 1/3 of the loan amount. If, for example, the loan amount is thirty (30) million dollars, then it requires a Loan Premium payment of ten (10) million dollars. The proceeds of the loan are then paid out in three equal installment draws ($10,000,000 cash, in the example) to Borrower commencing one hundred (100) days after the effective date of standby letter of credit securing the loan, with the remaining two installments being paid respectively 190 days and 280 days thereafter. The total loan proceeds to be received by the Borrower are guaranteed and secured by an irrevocable standby letter of credit ("SLC") issued to the Borrower, as beneficiary, by a major European bank, which SLC shall be confirmed by a major American bank.

The secured loan transaction is designed in the form of a ten year loan, with interest payable annually in arrears and the principal at term. At the outset of the transaction, Borrower pays the "Loan Premium" equal to one-third of the amount of the loan. The Loan Premium is for the purpose of repayment of the loan and is part of the consideration for the Lender's guarantee to liquidate ("pay") the loan as it becomes due during the ten year term as to both interest and principial payments. The balance of the consideration is derived from the participation by associates of the Lender in the loan transaction or in projects funded by the loan transaction. The Lender refers to this as a "liquidated loan".

The loan Note provides that the obligation of borrower on the Note, which is not assignable, may be offset by lender's obligation to liquidate ("pay") the Note as it becomes due.

A significant feature of this loan transaction is that the SLC is issued, authenticated, approved and accepted in writing by the Borrower before the Loan Premium is paid (transferred) out of escrow to the Lender. By this means, the Borrower has received and accepted the SLC before payment of the Loan Premium is made.

The transaction will take place and be closed through the Borrower's Bank acting as the closing bank. Following the execution and exchange of transactional documents (including the Loan Agreement and Borrower's proof of funds), the Borrower, Lender, and the closing bank will enter into an Escrow Agreement with the closing bank which will contain escrow instructions for holding and disbursing the funds deposited for payment of the Loan Premium and for receiving and disbursing the loan proceeds. No payment or disbursement will be made from escrowed funds until such time as the escrowholder has received the Borrower's written notice of receipt and approval of the SLC. After closing, loan proceeds are paid into the escrow account at the intervals as stated above.

The amount reimbursed to the Lender for Lender's pre-payment of the fee to the Issuing Bank for issuance of the SLC and to the U.S. confirming Bank ("SLC fees") shall be deducted from and paid out of loan proceeds and said fee to each bank shall not exceed one-half percent (.5%) of the total loan proceeds. Notice of the amount of the SLC fee shall be provided to Borrower by Lender prior to closing the transaction. Not included in this amount are Borrower's own transactional cost, such as payment of closing bank fees and costs, cost of travel and so on.

The loans must be made for legitimate business purposes and, hence, based on "projects". Each project must be manifested by a business plan and financial projections for a three year period. Since many of the proposed projects are new ventures, there will not be much in the way of a going-business basis for the data. In other words, much of the data is based on projections. This is

acceptable. Payment of corporate debt (including taxes) is also acceptable, as long as the creditor is identified. Exhibit E (disclosure of use of loan proceeds) to the form Loan Agreement demonstrates that the project can be quite flexible and include payment for purchase of stock, payment of debt, purchase of equipment, corporate restructuring, etc.

A set of documents for the subject secured loan transaction will be developed from The Karlinmar standard form documents, including the following:

1. Joint Venture Agreement
2. Procedure for Instituting and Closing Long Term Loan
3. Loan Application
4. Bank letter confirming availability of borrower's funds
5. Long Term Loan Offer
6. Loan Agreement
7. Escrow Agreement (Exhibit B to Loan Agreement)
8. Standby Letter of Credit (Exhibit C to Loan Agreement)
9. Loan Promissory Note (Exhibit D to Loan Agreement)

The lender has disclosed that its primary interest in engaging in the subject loan transactions is the participation of its associates in the loan transaction (or in projects funded by loan proceeds of the loan transaction) and the use of the Loan Premium money for its use as a cash component of its collateral in large unrelated loan transactions wherein it hypothecates assets under its control to obtain funds to pay the loan proceeds in the subject Karlinmar loan transaction and for its own investment and project purposes. However, the success of Lender's "underlying transactions" are irrelevant to the subject secured loan transactions, since the secured loan transaction is conducted through major banks and is secured by a SLC issured by a major European bank, which will be confirmed by a major American bank if desired by Borrower.

Frequently, despite the credit worthiness of the SLC and the protective procedures in the loan transaction, potential co-venturers seek, as a first step in considering the transaction, a credible explanation for the high returns offered under the transaction. While Credit Austerlitz elects to retain the confidentiality of their business operations and projects and to achieve transactional credit-worthiness by the use of the SLCs, it has disclosed to Karlinmar the following general information regarding its operations as they relate to the loan transactions.

Credit Austerlitz and its associates have relationships within the business and banking communities of Europe which allow them access to certain financial opportunities and financial strategies which result in substantial profits. Accordingly they are in a position to generate substantial profits from several different situations which require equity capital for a short period of time for the purpose of providing cash for beginning the process ("priming the pump") of generating profits. One strategy employed by Credit Austerlitz and its associates is that of using the Loan Premium proceeds to provide a "cash component" to enhance collateral consisting of long-term, non-liquid assets (e.g., land, mineral deposits) for the purpose of generating large, long-term bank loans for the development of long-term non-productive assets held in trust by Credit Austerlitz and/or its associates as collateral for said loans. In yet other situations, the cash component provided by the Loan Premium in the Karlinmar loan transaction allows Credit Austerlitz to utilize other techniques in accomplishing its investment and development objectives.

Rather than deplete its own cash assests for purposes of providing such collateral enhancement, Credit Austerlitz and its associates have determined that their cash assets may be best utilized in backing their applications for SLCs securing the subject Karlinmar transactions in order to generate the necessary "cash component" for obtaining their large development loans. Generally, the cash component is approximately ten percent (10%) of the face amount of the large development loan. Some of the proceeds of such large development loans are utilized to liquidate the relatively smaller loan under the Karlinmar loan transaction. Credit Austerlitz and its associates have determined that it is more beneficial to pay the high cost (equal to an investment rate of return) of liquidating the subject Karlinmar loan to Borrower in consideration for participation in the Karlinmar loan transactions (or in the developments funded thereby) and receipt of the Loan Premium funds it receives to serve as the "cash component" in its large development loans than it would be to have the direct investment of a continuing venture capital partner in their development projects, who would require full disclosure of their business affairs, want to participate in the business and financial decisions, and who would demand to significantly share in the potentially substantial long-term profitability. Futhermore, since many of their development projects are located in eastern Europe or in the third world, any "venture capital" share demanded by an investor would likely be greater in value than an investment rate of return equal to the cost of liquidating the subject Karlinmar loan, less the value of participation in said loan transaction and/or developments funded thereby. Finally, by using its own cash assets on a short-term revolving basis to generate the SLCs and then utilizing the large, long-term, development loan funds (approximately ten times the value of the Loan Premium) to retire said smaller loan under the Karlinmar loan transaction, the effect on the cost of the large, long-term loan is negligible and the entire process is, in a manner of speaking, self-financing, since upon such small loan retirement their own assets will be free to back further SLCs.

In summary, Credit Austerlitz has determined that the benefits of confidentiality, control and long-term profitability are better served by utilizing Loan Premium receipts derived from fixed loan arrangements secured by bank independent undertakings (SLCs) for generating the up-front cash components needed for its long term development financing. This high cost of up front cash is not prohibitive when compared to the substantial long-term profits to be made from its participation in the developments funded by the Karlinmar loan transaction and from its own, unrelated large development projects, especially in light of the relatively risk-free and highly efficient use made of their own cash assets on a rotating basis in supporting the issuance of the relativlely short-term SLC's. As a result, Credit Austerlitz and its associates offer a substantial return through liquidation of the loan granted under the Karlinmar loan transaction in consideration for the participation and for Loan Premium payment.

Reduced to its essentials, the Karlinmar secured loan transaction provides the Borrower with a major European bank SLC which is confirmed by a major American bank and, which guarantees the payment of the loan proceeds. Following execution of the Loan Agreement, the Borrower, Lender, and the closing bank enter into an escrow agreement which provides that the Borrower receives and approves the SLC before the Loan Premium proceeds deposited in escrow are transferred to the Lender. Loan Premium funds are deposited in escrow by Borrower and the escrow bank notifies Lender thereof. Lender causes the SLC to be issued to Borrower. Upon written notice by Borrower to the closing bank of approval of the SLC, the Loan Premium is paid out of escrow to the Lender and the loan note issued by Borrower. Following closing of the loan, the loan proceeds are paid into escrow in three installments ("draws") at the above described intervals following payment of the Loan Premium. Thereby, the Borrower receives loan proceeds equal to three times the amount of the Loan Premium, less payment of the SLC fee.

The Loan Agreement provides that the loan (both principal and interest) will be liquidated ("paid") by Lender when and as it becomes due. The loan note by its terms is not assignable and can be offset by Borrower against the obligation of Lender to liquidate the loan. The loan proceeds are held and disbursed from the escrow account in accordance with the Joint Venture Agreement and instructions to the escrowholder.

The long-term loan transaction contemplated between the Company and Karlinmar Corporation will commence with their execution of the Joint Venture Agreement which Agreement will describe the relationships between the Company and Karlinmar. Following execution of the Joint Venture Agreement, the Company, with Karlinmar's assistance, will immediately prepare and submit the Loan Application on behalf of the Joint Venture, as borrower, to Lender. This begins the process described in the "Procedure for Instituting and Closing Long Term Loan" provided to the Company by Karlinmar.

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EXHIBIT

Tower Venture 97-A , LTD
(An Ohio Limited Liability Company)

Summary of Cash Activity
In Connection With
Secured Long-term Loan Transaction

February 20, 1997

(000's Omitted)

Cash Received (Disbursed) (A) (B)

Approximate Days From Loan Agreement Date	Premium Loan Repayment	Net Loan Proceeds	Short-term Investment Account	Venture Capital Account Investors	Venture Capital Account Sponsor	Venture Capital Account Total	Karlinmar Group	Venture Group
0 Days	$ (10,000)							
100 to 130 Days		$ 9,700	$ 2,295	$ 1,056	$ 3,166	$ 6,517	$ 2,388	$ 795
190 to 220 Days		10,000	5,205	366	1,096	6,667	2,500	833
280 to 310 Days		10,000	6,000	167	499	6,666	2,500	834
	$(10,000)	$ 29,700	$13,500	$ 1,589	$ 4,761	$ 19,850	$ 7,388	$ 2,462

(A) This schedule reflects only the payment of the Loan Repayment Premium and the subsequent receipt and initial distribution of Loan Proceeds from the Loan transaction. This schedule does not include subsequent activities, including fees, investments in other projects and companies, income taxes, sales of investments, distribution of investment sale proceeds and repayment, if any, of loan proceeds.

(B) The short-term investments transactions will be active for approximately Thirty (30) days from receipt of loan proceeds. At the end of this Thirty (30) day period such investments will be liquidated and distributed. The net profit or loss from these investments will be credited or charged to the Venture Capital Account so as to assure that the Primary Distribution in the sum of $13.5 million will be made to investors. For purposes of this Exhibit no such profit or loss was estimated.

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Tower Venture 97-A, LTD
(An Ohio Limited Liability Company)

Summary of Long Term Investments in Viatical
In Connection With
Long Term Loan Transactions

February 20, 1997

(000's Omitted)

Cash Received (Disbursed) (A)

Venture Capital Account

Approximate Days From Loan Agreement Date	Allocation of Loan Proceeds to Venture Capital Account		Total Venture Investments		Distribution 365 Days from Investment at 33%	
	Investor	Sponsor	Acquisition Cost	Liquidation Proceeds	Investor	Sponsor
100 to 130 Days	$1056	$3166	$ (4222)	$5615	$(1404)	$(4211)
190 to 220 Days	366	1096	(1462)	1943	(486)	(1457)
280 to 310 Days	167	499	(666)	885	(221)	(664)
Total	$1589	$4761	$ (6350)	$8443	$(2111)	$(6332)

(A) This schedule represents only the allocation and distribution of Venture Capital Account investment proceeds. The amount in this Exhibit do not reflect any net profit or loss from the short term investments. (See Exhibit B-1). The distribution 365 days from investment at 33% represents estimated returns from Viatical Insurance investment.

EXHIBIT

Tower Venture 97-A, LTD
(An Ohio Limited Liability Company)

Summary of Cash Activity
In Connection With
Secured Long-Term Loan Transaction
Per $25,000 Investment Unit

February 20, 1997

Cash Received (Disbursed)

Days From Loan Agreement Date	Investor One Unit	Loan Proceeds Long-Term Venture Capital Investment	Loan Proceeds Short-Term/Venture Primary Distribution		Advisory Fees	Net Proceeds Loan Transaction	Distribution To Investor Primary / Distr.	Venture Capital	Investor Distribution Total Accumulation	% Of Orginal Investment
0 Days	25000				(750)	(24250)				
90-100		2514	5464		(750)		(4714)		4714	19
180-210		871	12392		(750)		(11642)		16356	65
270-300		398	14285		(750)		(13535)		29891	120
Totals	**25000**	**3783**	**32141**		**(3000)**	**24250**	**29891**			
455-485				3344	(750)			(2594)	32485	130
545-575				1159	(125)			(1034)	33519	134
635-665				529	(25)			(504)	34023	136
Totals	**25000**	**3783**	**32141**	**5032**	**(3900)**	**24250**	**29891**	**4132**	**34023**	**136**
Total All Units	**10500**	**1589**	**13500**	**2111**	**1638**	**10185**	**12554**	**1736**	**14290**	**136%**

(000'S OMITTED)

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S-3439A

Tower Venture 97-A, LTD
(An Ohio Limited Liability Company)

Summary of Projected Cash Activity
In Connection With
Secured Long-Term Loan Transaction

Each Investor
Per Minimum Investment of Four (4) Units

February 20, 1997

	CASH (INVESTED) RETURNED TOWER VENTURE 97-A, LTD						INVESTMENT ADVISORY FEES (RELATED TO INVESTMENT IN) TOWER VENTURE 97-A, LTD PAID DIRECTLY BY INVESTOR			CASH (INVESTED) RETURNED TOWER VENTURE 97-A, LTD LESS INVESTMENT ADVISORY FEES PAID DIRECTLY BY INVESTOR			
EACH INVESTOR (MINIMUM 4 UNITS):			Venture Capital Account (MEMO ONLY)				Investment Advisory Fees (MEMO ONLY)			Related to			
Days From Loan Agreement	Investment	Primary Distribution Received	Venture Investments	33% Profit Share	Distributioon Received	Cash (Invested) Returned	Total Amount	Offering Use of Proceeds	Paid Directly By Investor	Investment and Primary Distribution	Venture Capital Account	Combined	Accumulative Percent Cash Returned Less Investment Advisory Fees
0	$ (100,000)					$ (100,000)	$ (3,000)	$ (3,000)		$ (100,000)		$ (100,000)	
100-130		$ 21,857	10,067			21,857	(3,000)		$ (3,000)	18,857		18,857	19%
190-220		49,571	3,486			49,571	(3,000)		(3,000)	46,571		46,571	65%
280-290		57,143	1,590			57,143	(3,000)		(3,000)	54,143		54,143	120%
	$ (100,000)	128,571	15,143			28,571	(12,000)	(3,000)	(9,000)	19,571		19,571	
465-495				3,314	13,381	13,381	(3,000)		(3,000)		10,381	10,381	130%
555-585				1,143	4,629	4,629	(500)		(500)		4,129	4,129	134%
645-675				514	2,105	2,105	(100)		(100)		2,005	2,005	136%
Total	$ (100,000)	$128,571	$ 15,143	$ 4,971	$ 20,114	$ 48,686	$ (15,600)	$(3,000)	$ (12,600)	$ 19,571	$16,514	$ 36,086	
ALL INVESTORS (420 UNITS) (000'S Omitted):													
Total	$ 10,500	$ 13,500	$ 1,589	$ 522	$ 2,111	$ 5,112	$ (1,638)	$ (315)	$ (1,323)	$ 2,055	$1,734	$ 3,789	

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FORM LETTER OF INTENT BY KARLINMAR

Philip A. Lehman, President
Tower Venture, a Business Trust , Managing Member
Tower Venture 97-A , LLC
8141 N. Main Street, Dayton, Ohio 45415

LETTER OF INTENT TO FORM JOINT VENTURE
FOR PURPOSE OF LONG TERM LOAN TRANSACTION

Dear Mr. Lehman :

The purpose of this letter is to confirm the intent of Karlinmar Corporation, as the agent with full authority of the hereinafter described Karlinmar Group and Tower Group, to enter into a joint venture with the Tower Venture 97-A, LLC, hereinafter the "Company", for the purpose of undertaking a long term loan transaction in the manner and of the type described in the "Overview of Secured Long Term Loan Transaction" attached hereto as Exhibit A and by this reference made a part hereof. Further, Karlinmar Corporation represents that it has received the assurance of the proposed European lender, Credit Austerlitz Finances Ltd., that such a loan transaction as described in Exhibit A hereto is available in the amount of Thirty Million U.S. Dollars ($30,000,000 USD) and will remain available to a joint venture formed by Karlinmar and the Company for at least One Hundred Twenty (120) days, in which time a loan application must be received by lender.

Consistent with the foregoing, Karlinmar is prepared to enter into a joint venture agreement, wherein Karlinmar serves as the proprietary co-venturer and the Company serves as the funding and managing co-venturer for the purpose of obtaining a Thirty Million Dollars ($ 30,000,000. USD) ten year loan from Credit Austerlitz Finances, Ltd., as described in Exhibit A hereto.

Please advise the undersigned when the Company is ready to proceed with the execution of a joint venture agreement so we can commence the preparation of the transactional documents and exchange the appropriate due diligence information.

Very truly yours,

John L. Runft
President
Karlinmar Corporation

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PRINCIPALS OF KARLINMAR GROUP REPRESENTED BY KARLINMAR CORPORATION AS A CO-VENTURER

This entities comprising the Karlinmar Group are Karlinmar Capital Corporation, Forester Corporation and Genesis, Inc. These companies are organized and represented as follows:

KARLINMAR CORPORATION, an Idaho corporation, as agent for **HIGHGATE JOINT VENTURE, A Nevada** joint venture, comprised of:	
KARLINMAR CAPITAL CORPORATION, a **Nevada** corporation	61.0%
FORESTER CORPORATION, a **Nevada** corporation	19.5
GENESIS, INC. a **Nevada** corporation	19.5
	100.0%

KARLINMAR CAPITAL CORPORATION is the managing venturer of **HIGHGATE JOINT VENTURE.**

JOHN L. RUNFT, Esq., of Boise, Idaho, is the President, Treasurer and Director of both Karlinmar Corporation and Karlinmar Capital Corporation. He and his family own 100% of both corporations. (See Biographical information below)

SIT CONSULTANT IS A FRENCH CORPORATION, the president and sole owner of which is **EMILE SALVAT,** a citizen and resident of Paris, France. **SIT** is the agent of Credit Austerlitz Finances, Ltd., the lender. **EMILE SALVAT** serves as managing director of the lender. **SIT** and an undisclosed affiliate will receive from Highgate Joint Venture a fee and an ownership interest in certain of the investments and/or projects of Highgate Joint Venture equal, in the aggregate, to 30.5% of the Highgate Joint Venture share of loan proceeds received related to activities of this Offering.

STEVE C. SWANSON, CPA, of Boise, Idaho, is a Vice President and Director of Karlinmar Corporation and President, Treasurer and Director of Forester Corporation. He and his family own 100% of Forester Corporation. (See Biographical Information below)

JAMES R. "JACK" STITES of Cookeville, Tennessee, is President and Director of Genesis, Inc. He and his brother own 100% of Gensis, Inc.

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The executive officers for Karlinmar Corporation are John L. Runft and Steve C. Swanson, as referred to above. Their Biographical Information is as follows:

JOHN L. RUNFT
1020 W. Main Street, Suite 440
Boise, Idaho 83702
Telephone: (208) 336-1430
Facsimile: (208) 343-3246

Position: Attorney at Law; emphasis in business, commercial, corporate, financial, administrative law and business litigation.

Professional Affiliations:

Idaho State Bar Association: Idaho Law Foundation; Admitted to practice before the United States Supreme Court, the Supreme Court of the State of Idaho, the United States Court of Appeals for the Federal Circuit, the United States Court of Appeals for the Ninth Circuit, the United States Claims Court, and the United States District Court for the District of Idaho; (Founding) Member of Board of Litigation of Mountain States Legal Foundation, 1977 to date.

Business Affiliations:

President and Director of Karlinmar Corporation and Karlinmar Capital Corporation; Director of Applied Earth Technologies, Inc.

Personal:

Born: August 14, 1937, in Baker, Oregon. Married to Enid McConnell Runft in 1964; three children: Linda, 27; Marnie, 25; and Karl, 21.

Education:

Graduated from Boise High School in May, 1955 Attended the College of Idaho for four years, and graduated in 1962 with a B.A. in political science. Received Outstanding Senior Man Award upon graduation.

Recipient of a National Honor Scholarship to the University of Chicago Law School and graduated there with a J.D. in 1965. Upon graduation, was awarded the Jackson Prize in Constitutional Law.

Military Service:

Served three years (1955-1958) in United States Army, honorable discharge. Stationed in Germany with a MI Unit engaged in refugee and expellee interrogation.

U.S. Goverment Service:

Appointed Civilian Aide to the Secretary of the Army of the United States, August 1988, to April 1995.

State and Local Goverment Service:

Boise Model Cities Committee Member, 1973-1975; Chairman, Citizens Advisory Committee to Ada Council of Governments (publication of comprehensive study relating to planning and zoning) 1973-1974; Board Member of Idaho Commission on Women's Programs, 1977-1982.

Civil/Philanthropic Affiliations:
Member and Director of the Idaho Community Foundation (1988-1996); Boise Philharmonic Association (Board Member 1968-1993; President 1979-1981); member, President's Partners, College of Idaho (1982-1990).
Fraternal: Gem State Kiwanis Club of Boise, Idaho, (former member, Board of Directors).

Additional Information:
Prepared and argued the case of Marshall v. Barlow's, Inc., before the United States Supreme Court (436 U.S. 307, 1978), the decision in which case required OSHA (and similar goverment agencies) to obtain search warrants for searches of private business premises, including corporate premises.
Speaks, reads and writes the German language.

STEVE C. SWANSON
1150 West State Street, Suite 320
Boise, Idaho 83702
Telephone: (208) 336-3636
Facsimile: (208) 336-3640

Steve C. Swanson, age 58, is the sole stockholder and President of Swanson & Co., Inc., an investment services firm. He is the registered Principal and Representative for the firm which is a Securities Broker/Dealer and a SEC Registered Investment Advisor. Mr. Swanson is, and has been since 1991, an officer and director of Karlinmar Corporation, an Idaho corporation based in Boise, Idaho.

Mr. Swanson established the company along with Swanson Investments, a sole proprietorship, during 1978 to engage in the field of investments and investment services. He is a sponsor/general partner in several private placement syndications. One of them was underwritten by Boettcher & Company, a regional investment banking firm with headquarters in Denver, Colorado. The others were underwritten by Swanson & Co., Inc. In addition, Mr. Swanson has provided financial and investment advisory and management services to many privately owned companies.

Prior to 1978, Mr. Swanson had an extensive, diversified, seventeen year financial services background which included eleven years in the practice of public accounting with local firms, international firms and as a sole practitioner, In 1971, he was a manager in the Boise/San Francisco office of Coopers & Lybrand. During the remaining six years he was associated directly and indirectly with a company engaged in real estate investment, development and management.

Mr. Swanson is a former Chairman of the Idaho State Board of Accountancy, a former President of the Idaho Society of Certified Public Accountants, a former member of the Small Business Committee of the American Institute of Certified Public Accountants and a former President of the City of Boise Industrial Development Corporation. He received a Bachelor of Science Degree in Business with a major in Accounting in 1960 from the University of Idaho.

PRINCIPALS OF THE VENTURE GROUP

1. Tower Venture, a Business Trust formed under Ohio code 1746
   Directors: Philip A. Lehman (See Sponsor on Page 4)
   Kenneth R. Wiseman (See Sponsor on Page 4) 60%

2. The Majestic Company, a Business Trust
   Directors: Michael A. Vallone
   Robert W. Hopper 40%

MICHAEL A. VALLONE, born September 26, 1959, is the Executive Director of Hertiage America, since it's inception in April of 1996, and is the past Executive Director of it's predecessor, Heritage Assurance Group, since February of 1994. Heritage America is a not-for-profit private membership organization which offers information and assistance to its members on the subjects of estate planning and taxation. Mr. Vallone attended University of Illinois and Fellowship Baptist College. He is an instructor in various training schools offered by Heritage America and has spoken on various radio programs on the subjects of estate planning and asset protection planning. He is licensed in the State of Illinois as an insurance agent, and is a para-legal authorized by Edward Bartoli, J.D., LL.M. Mr. Vallone has extensive experience in the areas of estate planning and asset protection planning and business structuring.

ROBERT W. HOPPER, born June 11, 1945 is the managing director of Heritage America, since it's inception in April of 1996, and is the past Managing Director of it's predecessor. Heritage Assurance Group, since February of 1994. Heritage America is a not-for-profit private membership organizations which offers information and assistance to its members on the subject of estate planning and taxation. Mr. Hopper served in the United States Marine Corps from 1964 to 1968 and attended South Suburban College in South Holland, Illinois. He is an instructor in various training schools offered by Heritage America and has written articles in various news publications serving the senior population. Mr. Hopper also oversees the publication of the Heritage Review, which is a quarterly membership newsletter provided to the Heritage America members. He is a para-legal authorized by Edward Bartoli, J.D. LL.M. Mr. Hopper has extensive experience in marketing and in the areas of estate planning, asset protection planning, and business structuring.

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made as of the ___ day of ____ , 199__ , by and between Tower Venture, a Business Trust. The Sponsor of the hereinafter described Offering and the managing member (the "Managing Member") of a limited liability company formed in the State of Ohio and to be named Tower Venture '97-A Limited Liability Co. (the "Company") and Tower Equities, Inc., the broker-dealer for the sale of membership units (the "Underwriter") and Star Bank N.A., Troy, Ohio (the "Bank").

WITNESSETH:

WHEREAS, 420 Units of Membership interest of $25,000 each in the Company (the "Units") are to be offered by the Membership through the Underwriter in a private offering (the "Offering") which is scheduled to terminate May 1, 1997, (the "Closing Date"), or on such date prior to the Closing Date by which subscriptions for 420 Units have been received and accepted by the Managing Member, and the Bank:

WHEREAS, the Managing Member has determined that the Membership will not commence operations unless and until subscriptions for an aggregate minimum of 420 Units have been received and accepted by the Managing Member from subscribers (the "Subscribers"); and the Bank:

WHEREAS, the Managing Member has determined and will agree with Subscribers that the Payments will be held in an interest bearing escrow account until one (1) escrow is broken and subscriptions for an aggregate of 420 Units have been received and accepted by the Managing Member, Tower Venture.

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NOW, THEREFORE, the parties hereto agree as follows:

1. The Bank agrees to act as escrow agent in accordance with the terms hereof, and, as such, to establish an appropriate segregated interest bearing account (the "Escrow Account") entitled the Tower Venture '97-A Limited Liability Co. Escrow Fund and to receive for deposit therein the Cash Payments tendered to it by the Managing Member.

2. All Cash Payments received from Subscribers will be delivered by the Underwriter or Managing Member to the Bank, together with the name and address of each such Subscriber and the amount paid by him. Checks or other items accepted as Cash Payments shall be made payable or endorsed to Star Bank, N.A., Escrow Agent, Tower Venture '97-A Limited Liability Co. And shall be delivered to the Bank by the Underwriter or Managing Member promptly following receipt. The Bank will, upon final collection of the proceeds of such items delivered to it, credit the proceeds to the Escrow Account to be held by it under the terms of this Escrow Agreement. Any item returned unpaid to the Bank on its first presentation for payment shall be returned to the Underwriter or Managing Member and need not be again presented by the Bank for collection.

3. Within three business days of credit of proceeds to the Escrow Account, the Bank shall invest such proceeds at the direction of the Managing Member into interest bearing accounts, notes, or certificates with maturities no later than the Closing Date, provided that any such accounts, notes or certificates shall be insured and/or guaranteed by the federal government.

4. If at any time on or before the Closing Date the Underwriter and Managing Member have received and accepted subscriptions for at least 420 Units, the Managing Member shall so notify the Bank. Upon presentation of a signed certificate stating that the Managing Member has received and accepted subscriptions for a least 420 Units, the Bank shall release to the Company all funds in the Escrow Account. Any investment interest earned by the Escrow Account, net of and Escrow fees charged by the Bank, shall be distributed pro rata to the Subscribers. Allocation and disbursement of said net interest among the Subscribers shall be the sole responsibility of the Managing Member.

5. If at the closing Date the Managing Member shall not have received and accepted subscriptions for 420 Units, or if at the Closing Date there are outstanding only a part of the4 420 Unit increment the Managing Member shall so notify the Bank. The Bank shall as soon as possible thereafter cause the Cash Payments to be distributed to each investor whose funds had been delivered to the Bank, at the mailing address provided by the Managing Member in accordance with each such Subscriber's Subscription Agreement. Allocation of total interest among the Subscribers shall be the sole responsibility of the Managing Member. Such distribution shall be in the form of certified, bank cashier's or trust checks payable to the Subscriber and shall include such Subscriber's pro rata share of any investment interest earned by the Escrow Account.

6. The Bank may rely and shall be protected in acting upon any written or verbal notice, instruction or request furnished to it hereunder and believed by it to be genuine and believed by it to have been signed or made by the proper party or parties.

7. The Bank shall not be liable for any action taken or not taken by it in good faith and believed by it to be authorized or within the rights of powers conferred upon it by this Agreement, and may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith. The Bank's sole responsibility is the maintenance of the Escrow Account under the terms and conditions set forth herein. The Bank is not bound by the terms of any other agreement between the parties, even if it has knowledge thereof.

8. The Bank may resign and be discharged from its duties hereunder by giving fifteen (15) days notice in writing of such resignation specifying the date when such resignation shall take effect.

9. The Managing Member hereby agrees to pay the Bank reasonable compensation for services to be rendered hereunder and will pay or reimburse the Bank upon request for all expenses, disbursements and advances, including reasonable attorneys' fees, incurred or made by it in connection with carrying out its duties hereunder.

10. The Managing Member hereby agrees to indemnify the Bank for, and to hold it harmless against any loss, liability or expense incurred without gross negligence or bad faith on the part of the Bank, arising out of or in connection with its entering into the Agreement and carrying out its duties hereunder, including the cost of defending itself against any claim of liability in the premises; provided, however, that the provisions of this paragraph shall not apply in the event of any claim, liability, loss, action suit or proceeding resulting form the breach by the Bank of any provisions of the Agreement or from its gross negligence or willful malfeasance.

11. If any disagreements should arise among any one of the parties hereto or any other party with respect to the monies in escrow or this Agreement and if Bank in good faith is in doubt as to what action should be taken hereunder, Bank shall have the absolute right at its election to do either or both of the following: (i) withhold or stop all further performance under this Agreement and all instructions received in connection herewith until Bank is satisfied that such disagreement had been resolved, or (ii) file a suit in interpleader and obtain an order from a court of appropriate jurisdiction requiring all persons involved to litigate in such court their respective claims arising out of or in connection with the Escrow Funds.

12. Should the Bank inform the Underwriter or the Managing Member that any check or instrument entered for collection by it hereunder is uncollectible after payments of the funds represented by such check or instrument has been made prusuant to the terms hereof, the Managing Member shall immediately reimburse the Bank or the Bank may charge the Company Account and the Bank shall deliver the returned check or instrument to the Managing Member.

13. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if sent by registered or certified mail, return receipt requested, as follows:

Escrow Agent:	Star Bank, N.A. 910 W. Main Street Troy, Ohio 45373 Attn: Thomas J. Kleptz VP Trust Officer
Sponsor and Managing Member:	Tower Venture, a Business Trust P.O. Box 5857 Forest Park Branch Dayton, Ohio 45405 Attn: Philip A. Lehman
Underwriter:	Tower Equities, Inc. P.O. Box 5857 Forest Park Branch Dayton, Ohio 45405 Attn: Philip A. Lehman

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or at such other address as any of the above may have furnished to the other parties in writing by registered or certified mail, return receipt requested.

14. This Agreement shall be construed in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Sponsor and Managing Member: Tower Venture, an Ohio Business Trust

By _____
Philip A. Lehman, Managing Director

Underwriter: Tower Equities, Inc.

By _____
Philip A. Lehman, Chairman

Escrow Agent: Star Bank, N.A.

By _____
Thomas J. Kleptz, V.P. Trust Officer

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Tower Venture 97-A

Purchaser Questionnaire

Tower Venture 97-A
8141 N. Main St.
Dayton, OH 45415

Attention: Philip A. Lehman

Re: Tower Venture 97-A

Gentlemen:

The following information is furnished to you in order for you to determine whether the undersigned is qualified to purchase units of Limited Liability Company (the units) in the above referenced company pursuant to sections 4 (2) of the Securities Act of 1933, as amended (the "Act"), Regulation D promulgated thereunder, and appropriate provisions of applicable state securities laws. I understand that you will rely upon the following information for purposes of such determination, and that the units will not be registered under the Act in reliance upon the exemption from registration provided by sections 4 (2) of the Act, Regulation D, and appropriate provisions of applicable state securities laws.

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. However, I agree that you may present this questionnaire to such parties as you deem appropriate if called upon to establish that the proposed offer and sale of the units is exempt from registration under the Act or meets the requirements of applicable state securities laws.

I hereby provide you with the following representations and information:

1. Name: _____

2. Residence Address & Telephone No: _____
_____

3. Mailing Address: _____
_____

4. Employer and Position: _____

5. Business Address & Telephone No: _____
_____

6. Business or Professional Education & Degree: _____

_____

7. Prior Employment (5 Years):

Employer	Nature of Duties	Dates of Employment

8. Prior Investments of Purchaser:

Amount (Cumulative)

Capital Stock	Up to	$ 50,000 to	Over	
	None_____	$50,000_____	$250,000_____	$250,000_____
Bonds	Up to	$ 50,000 to	Over	
	None_____	$50,000_____	$250,000_____	$250,000_____
Other	Up to	$ 50,000 to	Over	
	None_____	$50,000_____	$250,000_____	$250,000_____

9. Based on the definition of an "Accredited Investor" which appears below, I am an Accredited Investor.

Intial

_____ Yes _____ No

I understand that the representations contained in this section are made for the purpose of qualifying me as an accredited investor as the term is defined by the Securities and Exchange Commission for the purpose of selling securities to me. I hereby represent that the statement or statements initialed below are true and correct in all respects.

If yes, I am an Accreditied Investor because I fall within one of the following categories:

(INITIAL APPROPRIATE CATEGORY)

_____ A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds $1,000,000.

_____ A natural person who had an individual income in excess of $200,000 in each of the two most recent years and who reasonably expects an income in excess of $200,000 in the current year.

_____ My spouse and I have had joint income for the most two recent years in excess of $300,00 and we expect our joint income to be in excess of $300,000 for the current year.

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Exhibit G, P.2

_____ Any organization described in Section 501 (c) (3) of the Internal Revenue Code, or any corporation, Massachusetts Business Trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000.

_____ A bank as defined in Section 3 (a) (2) of the Securities Act whether acting in its individual or fiduciary capacity: Insurance company as defined in Section 2 (12) of the Securities Act, Investment Company Act of 1940 or a business development company as defined in Section 2 (1) (48) of that Act; or Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the Small Business Act of 1958.

A Private business development company as defined in Section 202 (a) (22) of the Investment Advisors Act of 1940.

_____ An employee benefit plan within the meaning of Title 1 of the Employee Retirement Income Security Act of 1974, if the investment decision is to be made by a plan fiduciary, as defined in Section 3 (21) of such Act, which is either a bank, insurance company, or registered investment adviser, or if the employee benefit plan has total assests in excess of $5,000,000.

_____ Any enity in which all of the equity owners are Accredited Investors under the above paragraph.

NOTE: Prospective investors claiming Accredited Investor status may be required to supply the Company with a balance sheet, prior years' Federal Income tax returns or other appropriate documentation to verify and substantiate the investor's status as an Accredited Investor.

10. Financial Information:

(a) My net worth (exclusive of home, home furnishings and personal automobiles) is $_____

(b) My net worth including home, home furnishings and personal automobiles is $_____

(c) My gross income during the preceding two years is:
1995 $_____
1996 $_____

(d) My anticipated gross income in 1997 is $_____ .

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Exhibit G, P.3

(e) (1) I have such knowledge and experience in financial; tax and business matters that I am capable of utilizing the information made available to me in connection with the offering of the Notes to evaluate the merits and risks of an investment in the Notes, and to make an informed investment decision with respect to the Notes. I do not desire to utilize a Purchaser Representative in connection with evaluating such merits and risks. I understand, however, that the Company may request that I use a Purchaser Representative.

_____ Initial Here

(2) I intend to use the services of the following named person(s) as Purchaser Represenative(s) in connection with evaluating the merits and risks of an investment in the Notes and hereby appoint such person(s) to act as my Purchaser Representative(s) in connection with my proposed purchase of Notes.

_____ Initial Here

List name(s) of Purchaser Representative(s). If applicable.

_____

11. Except as indicated below, any purchases of the units will be solely for my account, and not for the account of any other person or with a view to any resale or distribution thereof.

12. I represent to you that the information contained herein is complete and accurate and may be relied upon by you. I understand that a false representation may constitute a violation of law, and that any person who suffers damage as a result of a false representation may have a claim against me for damages. I will notify you immediately of any material change in any of such information occuring prior to the closing of the purchase of units, if any, by me.

_____
Name (Please Print)

X_____
Signature

Executed at _____
(City) (State)

on this _____ day of _____, 19____

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Exhibit G, P.4

NOTICE TO INVESTORS: The Units purchased hereby have not been registered under the Securities Act of 1933; the Units are being sold under Section 4 (2) thereof promulgated thereunder; and no resales of Units may occur except in compliance with the terms of Section 4 (2) and the Operating Agreement.

SUBSCRIPTION AGREEMENT
FOR UNITS OF TOWER VENTURE 97 - A
AN OHIO LIMITED LIABILITY COMPANY

The undersigned hereby agrees to purchase_____ units of LTD interest (the "Units") in Tower Venture 97-A an Ohio limited liability Company (the "LTD") at the price of $25,000 per Unit for an aggregate subscription of $_____ and in connection therewith to become a member in the LTD. The undersigned agrees that concurrently with signing this Subscription Agreement, he will pay the purchase price for all Units so subscribed by check for the purchase price to be held in escrow by Tower Venture, (the "Managing Member") until subscriptions have been accepted for Units providing sufficient funds to commence LTD operations, or if subscription occurs after such time, until May 01, 1997 or any earlier release of funds to the LTD pursuant to the LTD Agreement.

The undersigned hereby represents and warrants to the Managing Member, the LTD and other investors that:

(a) I have read and understood the Private Placement Memorandum dated February 20, 1997 (collectively referred to as the "Private Placement Memorandum") pursuant to which the Units are offered and the Agreement and Certificate of ownership enclosed herewith "Operating Agreement") prior to my execution of this Subscription Agreement;

(b) I recognize the speculative nature of this investment;

(c) Disregarding my investment in the LTD, I have (1) Any bank, savings and loan association, broker or dealer, insurance company, investment company, business development company, Small Business Investment Company, and some employee benefit plans. (2) Any private business development company. (3) Any organization, corporation, business trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5 million. (4) Any director, executive officer or general partner of the issuer or of a general partner of the issuer. (5) Any person whose individual net worth, or joint net worth with spouse, at time of purchase exceeds $1 million. (6) Any person who had an annual individual income in excess of $200,000 in the past two years or annual joint income with spouse in excess of $300,000 in those years and has a reasonable expectation of reaching the same income level in the current year. (7) Any trust, with total assets in excess of $5 million, not formed for the specific purpose of aquiring the securities offered, whose purchase is directed by a sophisticated person. (8) Any entity in which all of the equity owners are accredited investors.

(d) I have reviewed the documents and information relating to the transaction and have substantial experience in investments and business matters and recognize the merits, disadvantages and risks of an investment of this nature, and/or business, tax and/or legal advisors have reviewed the documents and information relating to this transaction and they have advised me as to the merits, disadvantages and risks of this offering.

(e) I acknowledge that the Units to be sold in this offering have not been registered under the Securities Act of 1933 in reliance upon the exemption provided by Section 4 (2) of said Act.

(f) I understand that certain precautions are necessary to ensure that no Units are resold in violation of Section 4 (2) and that the Managing Member will make the necessary notations in the records of the LTD to prevent the transfer of any Units in violation of the above restrictions;

(g) I understand that (i) the Units are unregistered securities and can be resold by a purchaser only if he registers the Units under the Securities Act of 1933 or obtains an opinion of counsel satisfactory to the Managing Member that registration is not required, and (ii) this restriction on transfer is in addition to the restrictions in Section 4 (2) stated above.

(h) I am acquiring the Units that I have committed to purchase for my own account as principal for investment purposes only and without a view to the resale, transfer or distribution thereof, and I will not offer to sell or otherwise transfer or convey the Units or any part thereof or interest therein except in compliance with the terms of the Operating Agreement and applicable securities laws;

(i) I am acquiring the Units that I have committed to purchase based soley on the information contained in the Private Placement Memorandum and Operating Agreement and otherwise provided by the Managing Member in connection with the offering, and not on any other information or representations communicated to me by anyone else.

(j) I presently, together with my purchaser representative(s), if any, have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of the prospective investment.

The undersigned hereby irrevocably constitutes and appoints Tower Venture, with full power of substitution, as my true and lawful attorney in my name, place and stead and for any use and benefit, to sign , execute, certify, swear to, acknowledge, deliver, file and record any Units or other instruments and any amendments thereto which may be required to be filed by the LTD under the laws of the State of Ohio or any other jurisdiction in which the LTD shall transact business or in which the Managing Member of the LTD shall deem it advisable to file, including but not limited to the Articles of Organization and Operating Agreement (enclosed herewith), certificates of fictitious names as required by law; provided, however, that the power of attorney granted hereby shall not constitute a waiver of, or be used to avoid, the rights of the undersigned under the Operating Agreement or be used in any other manner inconsistent with the status of the Organization as a LTD or the limited liability of the Members.

This power of attorney shall be deemed coupled with an interest, shall be irrevocable and shall survive my death or incapacity.

This Subscripition Agreement is not transferable or assignable by the undersigned, This Subscription Agreement, upon acceptance by Tower Venture shall be binding upon the heirs, executors, administrators and successors of the undersigned, as the case may be, and shall inure to the benefit of the LTD, its successors and assigns.

This Subscripition Agreement shall be construed in accordance with and governed in all respects by the laws of Ohio.

Executed at _____, this ____ day of _____, 1997

WITNESSES:

_____ _____
Signature

_____ _____
Joint Signature, if any

PLEASE SUPPLY THE FOLLOWING INFORMATION:

Full Name _____
Social Security/Tax I.D. # _____
Joint Owner Name, if any _____
Social Security/Tax I.D. # _____
Address _____

Unit(s) to be held as:

_____ Individual
_____ Joint Tenants w/right of survivorship
_____ Tentants in Common
_____ Corporate
_____ Partnership
_____ Trust

ACCEPTED BY:
TOWER VENTURE, Managing Member
TOWER VENTURE 97 - A

By _____ Date _____

INSURANCE BUY-OUT AGREEMENT

THIS AGREEMENT is entered into this ___ day of _____, 199_, between _____ ("Purchaser") and _____ ("Seller") and provides as follows:

RECITALS

Whereas, Seller owns a Group Life Insurance Policy No. _____, issued by _____ Life Insurance Company on _____ (hereinafter the "policy");

Whereas, Seller has been stricken with a life-threatening disease and wishes to obtain the discounted value of his insurance policy at this time;

Whereas, Purchaser is willing to pay to Seller at this time a significant sum of money, agreed upon between the parties, in consideration for becoming the sole owner and beneficiary on the policy;

NOW, THEREFORE, in consideration of mutual convenants and considerations set forth herein, the adequacy of which is agreed to be sufficient, the parties agree as follows:

1. PAYMENT BY PURCHASER. Purchaser hereby pays to Seller the sum of _____ the receipt of which is hereby acknowledged in consideration for the purchase of the policy and designation of purchaser as the sole beneficiary of the policy.

2. SALE OF POLICY AND DESIGNATION OF BENEFICIARY. In consideration of the payment from Purchaser, Seller hereby sells, assigns and transfers all of his right, title and interest in the policy to purchaser, and immediately Seller will forthwith upon signing this Agreement designate Purchaser as the sole and exclusive beneficiary under the policy (hereinafter "designation"). In connection with the designation, Seller understands and agrees that any prior beneficiaries shall retain no further interest in the policy or its proceeds and that Seller will name no other beneficiary other than Purchaser after the designation. Seller will give to Purchaser a copy of the designation (as well as any other proof of the designation that may exist) simultaneously with giving the designation and notice of sale of the policy to the insurer or its agent. Seller understands that Purchaser and only Purchaser will receive monetary benefits under the policy in the event Seller dies after the date of the designation.

3. CONSENT TO VERITY DESIGNATION. Seller hereby grants to Purchaser and/or his agents the right to verify with the insurer that the designation has been made and is effective in all respects.

4. FULL KNOWLEDGE AND UNDERSTANDING. Seller hereby acknowledges that he has entered into this Agreement with full knowledge and understanding that Purchaser will receive 100% of the insurance proceeds in the event of Seller's death in consideration for the payment which Purchaser has made to Seller. In that regard, Purchaser has told Seller that he [she] should consult his [her] own lawyer or other counselor with this transaction.

5. INJUNCTION. Seller acknowledges that if Seller breaches this Agreement, Purchaser has no adequate remedy at law. In the event that Seller refuses or fails, for whatever reason, to make the designation, Seller hereby consents to a Temporary Restraining Order, Preliminary and Permanent Injunctions of a mandatory nature whereby the court can order the designation to be made for the benefit of Purchaser. In that regard, Seller hereby waives any further notice and hereby agrees that the court may act without notice on Ex Parte basis upon Purchaser's request.

6. DIRECT COMMUNICATION. The executor/executrix or administrator of Seller's Estate is _____, located at _____ telephone number _____. Seller hereby authorizes Purchaser to contact this person if the need arises in order to effectuate this Agreement.

7. LEGAL FEES AND COST. In the event a dispute arises under this Agreement, the prevailing party shall be entitled to reasonable attorneys fees and costs in addition to any other relief to which the prevailing party may otherwise be entitled.

8. VENUE. In the event a dispute arises under this Agreement, the parties hereto agree that it shall be resolved in the Dayton, Ohio , where venue shall lie.

Seller:

_____

Name Date

Purchaser:

By: _____

Date

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Exhibit I, P. 2

ARTICLES OF ORGANIZATION

TOWER VENTURE 97-A, LTD

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

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ARTICLES OF ORGANIZATION
OF
TOWER VENTURE 97-A, LTD

The undersigned, Tower Venture, an Ohio Business Trust ("TV"), as Forming and Managing Member of a Limited Liability Company, Tower Venture 97-A, LTD (The "Company") pursuant to the **Ohio Limited Liability Company Act** (The "Act") adopts the following **Articles of Organization.**

1. Name. The name of the Limited Liability Company is **Tower Venture 97-A, LTD.**

2. Duration. Its period of duration is thirty years from the date of filing of these Articles with the Ohio Secretary of State unless (a) extended by the Members, (b) sooner dissolved by the members, or (c) dissolved upon a statutory event of dissolution.

3. Purpose. This Limited Liability Company is organized to enter into and engage in any lawful business permitted by the Act on the laws of any jurisdiction in which The Company may do business. The Company shall have the power and authority to do all things necessary or convenient to accomplish its purpose and operate its business. Unless otherwise determined by the affirmative vote of all members, the business of the Company shall be limited to a long-term loan transaction as a joint venturer with another entity to borrow thirty million dollars and to invest a portion of the loan proceeds in short term investments and a portion in viatical insurance contracts.

4. Registered Agent & Office. The name of The Company's registered agent, whose **Consent to Appointment as Registered Agent** accompanies these articles, is **Philip A. Lehman,** and the address of the registered office is **8141 N. Main Street, Dayton, Ohio 45415.**

5. Classes of Ownership. There shall be two (2) classes of ownership in the Company, which classes shall be designated as Class I and Class II.

Class I Membership. Class I members shall not be required to contribute to capital and no Share Certificates shall be issued for Class I membership. The authority to manage the affairs of the company shall be vested in the Class I Members, the nature and extent of which management shall be set forth in the Operating Agreement. Class I interest in the Company shall be limited to 75% of the gross profits or losses after the Primary Distribution has been made to the Class II Members. The persons holding Class I membership may also hold Class II membership and any contribution to capital made by such persons shall be made as Class II Members and share certificates awarded accordingly to such persons as a Class II Members.

Class II Membership. Class II Members shall consist of those who contribute to the capital of the company for which they shall receive Share Certificates, as provided in these Articles. Although management of the affairs of the company is vested in the Class I Members, the affirmative vote of a majority of the equity interest of the Class II Members must be obtained in order to amend these

Articles, or amend the Operating Agreement, or to fundamentally change the nature or structure of the Company or its business. The affirmative vote of all Members of Class II must be obtained to admit a new Member who has not acquired his membership directly from the Company. Class II interest in the Company shall consist of the right to the Primary Distribution, and to any and all other rights of ownership, subject to the provisions of these Articles, including the return of capial contribution in the event the long term loan transaction is not completed.

Primary Distribution. The Primary Distribution is a distribution of funds to be made to Class II Members from the short term investment of long term loan proceeds in the aggregate amount of $13,500,000. Upon completion of the long term loan transaction, the Primary Distribution made from each short term investment of loan proceeds shall have been made to each Class II Member in the aggregate gross sum of $32,141 for each Unit or Share held by said respective Class II Member.

6. Capitalization. The interest of the Class II Members in the Company will be evidenced by Share Certificates evidencing ownership in the Company. The issuance of Four Hundred Twenty (420) Shares or Units is hereby authorized. Each Share shall represent a Unit of ownership in the Company obtained by the Members capital contributions in the amount of $25,000. The Company shall issue one (1) share for each unit of $25,000 captial contribution. A Share Certificate must represent at least one (1) unit of ownership and may represent more than one (1) ownership Unit/Share.

7. No Additional Liability of Members for Contribution. No additional capital contributions will be required beyond those committed in Article 6.

8. Transfer of Interest. Except as provided herein, a Member's interest in the Company is not subject to assignment or tranfer, however, the Members economic interest may pass by inheritance. Any Member who obtains the written consent of the Managing Member to transfer said Member's interest, or a portion thereof, may effect such transfer upon receipt of such written consent, and must within ten (10) days of such transfer provide the Managing Member written confirmation of such transfer and copies to such transfer documents. When so allowed, the transferee shall be entitled only to the transferring Member's proportionate share of the Company capital and profits represented by the interest so transferred but shall have no other rights, including the right to participate as a Member unless later unanimously elected by the Members to be a Member of the company.

9. Admission of Additional Members. New owners of an interest in the Company who take their interest directly from the Company will be admitted as Members and, in the case of Class II Members, will be issued Share Certificates in accordance with their respective capital contribution. New owners of an interest in the Company who take their interest by assignment, inheritance, or operation of law will not be members and will be admitted to Membership and receive Share Certificates in their own names only with the subsequent written consent of all Members.

10. Amendment of Articles. These articles may be amended only by a majority in interest vote of the Members.

11. Agency Authority. All authority to contract and otherwise act for the Company is vested in its Managing Member (TV). Subject to the provisions of Article 5.

12. Records. The Company must maintain for review and copying by any member the following records at its principal office:

- A list of each Member by membership class designation containing the full name and last know mailing address.
- A copy of the articles of organization and of the Operating Agreement and all amendments thereto and a copy of any prior agreements no longer in effect.
- A copy of all tax returns and financial statements for last three years of operation.
- A list of contributions from and distributions to each member by the Company as required under Ohio Revised Code Section 1705.28

13. Continuity. The remaining Members of the Limited Liability Company, if there are two or more, have the right to continue the business by a majority in interest vote upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or occurrence of any other event which terminates the continued Membership of a Member in this Company. Any return of capital or distribution of profits shall be determined from the Company's books by the Managing Member, and paid at the direction of the Managing Member, at a time determined by the Managing Member, without diminishing the prospects of the Company's ventures.

14. Management. The business of the company shall be conducted under the excusive management of its Members by the Managing Member. If the Managing Member is unable to serve when the membership may vote by majority to elect a new Managing Member.

Dated this 20th day of February, 1997.

IN WITNESS WHEREOF:

FORMING AND MANAGING MEMBER:
Tower Venture, an Ohio Business Trust (ORC CH.1746)

By:_____
Philip A. Lehman Managing Director
of Tower Venture

By:_____
Kenneth R. Wiseman Director
of Tower Venture

CONSENT TO
APPOINTMENT AS REGISTERED AGENT

I, Philip A. Lehman, accept the appointment as registered agent and state that I am familiar with the duties as agent.

DATED this 20th day of February, 1997.

_____
Philip A. Lehman

OPERATING AGREEMENT

TOWER VENTURE 97-A, LTD
An Ohio Limited Liablilty Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

ACC00047
S-3439A

TOWER VENTURE 97-A LIMITED LIABILITY COMPANY

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Operating Agreement
Of
TOWER VENTURE 97-A LIMITED LIABILITY COMPANY

FORMED FEBRUARY 20, 1997

ARTICLE I.
OFFICES

1.1 Principal Office. The principal office of the Company in the State of Ohio will be located at 8141 North Main Street, Dayton, Ohio 45415. The Company may have other offices, either within or without the state of Ohio as the Managing Member may designate as the business of the Company may from time to time require.

1.2 Registered Office and Agent. The registered office of the Company, required by the Ohio Limited Liability Company Act to be maintained in the State of Ohio, may, but need not, be identical with the Principal Office in the State of Ohio. The address of the initial registered office of the Company is 8141 North Main Street, Dayton, Ohio 45415, and the initial registered agent at that address is Philip A. Lehman. The registered office and the registered agent may be changed from time to time by action of the Managing Member and by filing the prescribed form with the Ohio Secretary of State.

ARTICLE II.
MEETINGS

2.1 Annual Meeting. The annual meeting of the Members will be held the first Tuesday in the month of January in each year, beginning with the year 1998 at the hour of 10:00 o'clock a.m., for the purpose of electing a Managing Member and for the transaction of other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday, the meeting will be held on the next succeeding business day. If the election is not held on the day designated in this Agreement for the annual meeting of the Members, or at any adjournment of the meeting, the Members will cause the election to be held at a special meeting of the Members as soon afterward as it may conveniently be held.

2.2 Regular Meetings. The Members may prescribe the time and place for the holding of regular meetings and may provide that the adoption of the resolution will constitute notice of the regular meetings. If the Members do not prescribe the time and place for the holding of regular meetings, regular meetings will be held at the time and place specified by the Managing Member in the notice of each regular meeting.

2.3 Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Managing Member or by a majority in interest of members.

2.4 Notice of Meetings. Written or telephonic notice stating the place, day and hour of the meeting and, in case of a special meeting, the purposes for which the meeting is called, must be delivered not less than ten (10) days before the date of the meeting, either personally or by mail, by or at the direction of the Managing Member, to each Member of record entitled to vote at the meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the books of the Company, with postage

prepaid. When all the Members of the Company are present at any meeting, or if those not present sign in writing a waiver of notice of the meeting, or subsequently ratify all the proceedings of the meeting, the transactions of the meeting are as valid as if a meeting were formally called and notice had been given.

2.5 Quorum. At any meeting of the Members, a majority in interest of the Class II Members, as determined from the capital contribution of each Member as reflected by the books of the Company, represented in person or by proxy, will constitute a quorum at a meeting of Members. The Managing Member, as a Class I Member, shall not have a vote. If less than a majority in interest are represented at a meeting, a majority of the interests so represented may adjourn the meeting from time to time without further notice. At an adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

2.6 Proxies. At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. The proxy must be filed with the Managing Member of the Company before or at the time of the meeting. No proxy may be valid after three months from date of execution, unless otherwise provided in the proxy.

2.7 Voting by Class II Members. Share Certificates standing in the name of a corporation, partnership or company may be voted by the officer, partner, agent or proxy as the Bylaws of the entity may prescribe or, in the absence of such provision, as the Board of Directors of the entity may determine. Share Certificates held by a trustee, personal representative, administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of the certificates into his name.

2.8 Manner of Acting.

2.8.1 Formal action by Members. Resolutions passed by the majority in interest of the Members present at a meeting at which a quorum is present will be the act of the Members. On demand of any Member, voting on a particular issue may be by secret written ballot.

2.8.2 Procedure. The Managing Member of the Company will preside at meetings of the Members, may move or second any item of business but may not vote on any matter. A record must be maintained by the Managing Member in the form of minutes of the meetings of the Members. The Managing Member shall appoint and provide a recording secretary for each meeting. The Members may adopt their own rules of procedure which may not be inconsistent with this Operating Agreement, otherwise Roberts Rules of order will be followed.

2.8.3 Presumption of Assent. A Member of the Company who is present at a meeting of the Members at which action on any matter is taken will be presumed to have assented to the action taken, unless his dissent is entered in the minutes of the meeting or unless he files his written dissent to the action with the person acting as the secretary of the meeting before the adjournment of the meeting or forwards his/her dissent by certified mail to the secretary of the meeting within three (3) days immediately after the adjournment of the meeting. The right to dissent will not apply to a Member who voted in favor of the action.

2.8.4 Informal Action by Consent of Members. Unless otherwise provided by law, any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the Members entitled to vote with respect to the subject matter thereof.

2.9 Order of Business. The order of business at all meetings of the Members shall be as follows:

1. Roll Call.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.
4. Report of the Managing Member.
5. Reports of Committees.
6. Unfinished Business.
7. New Business.

2.10 Telephonic Meeting. Members of the Company may participate in any meeting of the Members by means of conference telephone or similar communication if all persons participating in the meeting can hear one another for the entire discussion of the matter(s) to be voted on. Participating in a meeting pursuant to this Section will constitute presence in person at the meeting.

ARTICLE III
FISCAL MATTERS

3.1 Fiscal Year. The fiscal year of the Company will begin on the first day of January and end on the last day of December each year, unless otherwise determined by resolution of the Members.

3.2 Deposits. All funds of the Company will be deposited from time to time to the credit of the Company in the banks, trust companies or other depositories as the Managing Member may select, subject to change by resolution of the Members.

3.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company will be signed by the Managing Member.

3.4 Loans. Only the proposed long term 30 million dollar loan to be obtained by the Company as a co-venturer with Karlinmar Corporation is hereby authorized and approved by the Members for execution by the Managing Member in the discretion of the Managing Member. No other loans may be contracted on behalf of the Limited Liability Company or no evidences of indebtedness other than as related to said long term loan transaction may be issued in its name unless authorized by a resolution of the Members. The authority may be general or confined to specific instances.

3.5 Contracts. The Managing Member shall have the authority to enter into contracts and execute instruments in the name of the Company in relation to transactions approved by the Members and in relation to operation of the Company. The Members may not authorize and direct only the Managing Member and no other to enter into any contract or execute any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

3.6 Accountant. An Accountant may be selected from time to time by the Managing Member to perform such tax and accounting services as may be required from time to time. The accountant may be removed by the Managing Member without assigning any cause.

3.7 Legal Counsel. One or more Attorney(s) at Law may be selected from time to time by the Managing Member to review the legal affairs of the Company and to perform other services as may be required and to report to the Managing Member with respect to those services. The Legal Counsel may be removed by the Managing Member without assigning any cause.

ARTICLE IV.
SHARE CERTIFICATES OF CLASS II MEMBERS

4.1 Share Certificates. Share Certificates representing equity ownership interest in the Company by Class II Members will be in the form determined by the Managing Member. Certificates must be signed by the Managing Member. All Certificates must be consecutively (serially) numbered. The name and address of the person to whom the Share Certificates are issued, with the Capital Contribution and the rate of issue, must be entered in the Share Certificate Register of the Company. In case of a lost, destroyed or mutilated Share Certificate, a new one may be issued on the terms and indemnity to the Company as the Managing Member may prescribe.

4.2 Share Certificate Register. A record of all Class II Members, their Share Certificates, the amount of their capital contribution, and all changes in Members or their amount of capital contribution must be maintained by the Managing Member in a Share Certificate Register.

4.3 Transfers of Share Certificate. Any Member proposing to transfer or to assign his Certificate must first notify the Managing Member, in writing, of all the details and consideration for the proposed transfer or assignment. Any transfer or assignment must be approved by the Managing Member in writing, and will not be effective without such approval.

ARTICLE V.
BOOKS AND RECORDS

5.1 Books and Records. The books and records of the Company must be kept at the principal office of the Company or at other places, within or without the state of Ohio, as the Managing Member or Members from time to time determine.

5.2 Right of Inspection. Any Member of record will have the right to examine and make copies, at any reasonable time or times for all purpose, the books and records of account, minutes and records of Members. The inspection may be made by any agent or attorney of the Member. On the written request of any Member, the Company must mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

5.3 Financial Records. All financial records of the Company will be maintained and reported based on generally acceptable accounting practices.

ARTICLE VI.
DISTRIBUTION OF PROFITS

The Venture Capital Account in the Company will consist of net loan proceeds paid to the Company out of the loan transaction escrow minus the sum of $13,500,000 allocated to short term investments by the Company. The short term investments will be liquidated and distributed to investors ("Primary Distribution") with in approximately thirty (30) to forty five (45) days of the investment. The Venture Capital Account will invest in the purchase of viatical insurance policies ("insurance buyout") under a program approved by the Managing Member. The distribution of funds and securities from the Venture Capital Account will be allocated and disbursed 25% to Class II Members and 75% to Managing Member. These distributions will be made periodically based on receipts from the insurance policy payouts and resulting availability of funds. All accounting and tax preparation will be completed by the Managing Member. The fees for such services will be 1% of monies in Venture Capital Account billed annually.

ARTICLE VII.
MANAGING MEMBER

7.1 Managing Member. The Company shall be managed by a single Managing Member, who will be the chief executive officer (CEO) of the Company responsible for the general overall supervision of the business and affairs of the Company. When present, the Managing Member will preside at all meetings of the Members. The Managing Member may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments which have been appropriately authorized by the Members to be executed, except in cases where the signing or execution is expressly authorized or delegated by the Members or by this Operating Agreement or by Statute to some other Officer or Agent of the company; and, in general, Managing Member will perform all duties as may be prescribed by the Board from time to time. In the event the Managing Member is an entity, then the chief executive officer of said Managing Member entity shall be the individual who acts on behalf of the Managing Member as CEO of the Company.

The specific authority and responsibility of the Managing Member will also include the following:

(1) The Managing Member will effectuate this Operating Agreement and the Resolutions and decisions of the Members.
(2) The Managing Member will direct and supervise the operations of the Company and preside at meetings of Member.
(3) The Managing Member, within parameters as may be set by the Members, will establish charges for services and products of the Company as may be necessary to provide adequate income for the efficient operation of the Company.
(4) The Managing Member, within the budget established by the Members, will set and adjust wages and rates of pay for all personnel of the Company and will appoint, hire and dismiss all personnel and regulate their hours of work.
(5) The Managing Member will keep the Members advised in all matters pertaining to the operation of the Company, services rendered, operating income and expense, financial position, and, to this end, will prepare and submit a report to the Members at each regular meeting and at other times as may be directed by the Members.

ARTICLE VIII.
FEE AND REIMBURSEMENT OF MANAGING MEMBER

Fee and Reimbursement. The Managing Member will receive reimbursement for expenses reasonably incurred in the performance of its duties. All accounting and tax preparation will be completed, minutes of meetings of Members maintained, records of the Company kept, and investments of the Company managed.

ARTICLE IX
GENERAL PROVISIONS

9.1 Notice. Any notice required or permitted to be given pursuant to the provisions of the Statute, the Articles of Organization of the Company or this Operating Agreement will be effective as of the date personally delivered, or if sent by mail, on the date deposited with United States Postal Service, prepaid and addressed to the intended receiver at his last known address as shown in the records of the Company.

9.2 Waiver of Notice. Whenever any notice is required to be given pursuant to the provisions of the Statute, the Articles of Organization of the Company or this Operating Agreement, a waiver of the notice, in writing, signed by the persons entitled to the notice, whether before or after the time stated therein, will be deemed equivalent to the giving of the notice.

9.3 Indemnification By Company. The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Officer, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if the Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, will not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

9.4 Indemnification Funding. The Company will fund the indemnification obligations provided by Section 8.3 in the manner and to the extent the Members may from time to time deem proper.

9.5 Duality of Interest Transactions. Members of this Company have a duty of undivided loyalty to this Company in all matters affecting this Company's interests.

9.6 Anticipated Transactions. Notwithstanding the provision of Section 8.5, it is anticipated that the Members will have other legal and financial relationships. Representatives of this Company, along with representatives of other entities, from time to time may participate in the joint development of contracts and transactions designed to be fair and reasonable to each participant and to afford an aggregate benefit to all participants. Therefore, it is anticipated that this Company will desire to participate in these

contracts and transactions and, after ordinary disclosures and review for reasonableness, that the participation of the Company in these contracts and transactions may be authorized by the Members.

9.7 Gender and Number. Whenever the context requires, the gender of all words used this Agreement will include the masculine, feminine and neuter, and the number of all words will include the singular and plural.

9.8 Articles and other Headings. The Articles and other headings contained in this Operating Agreement are for reference purposes only and will not affect the meaning or interpretation.

9.9 Entire Agreement. This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understanding and/or agreements between the parties regarding the matters herein contained, whether verbal or written.

9.10 Assignment. No party to this Agreement shall be entitled to assign its interest herein, or any portion thereof, without the prior written approval of the Managing Member.

9.11 Execution of Other Documents. Each of the parties hereto agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

9.12 Binding Effect. This Agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors and assigns.

9.13 No Waiver of Future Breach. The failure of one party to insist upon strict performance or observance of this Agreement shall not be a waiver of any future breach or of any terms or conditions of this Agreement.

9.14 Execution of Multiple Orginals. Multiple Orginal counterparts of this Agreement shall be executed by these parties, and a true and correct copy of the signature of the Managing Member on counterparts of this Agreement signed by one or more Class II Members shall be sufficient. The aggregate of counterparts of this Agreement, each signed by one or more Class II Members shall constitute the whole of this Agreement and an orginal of each counterpart shall be kept by the Managing Member in the records of the Company.

9.15 Attorney's Fees. In the event of any arbitration or litigation arising out of this Agreement among any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing parties shall be entitled to recover costs and attorney's fees.

9.16 Governing Laws. This Agreement shall be governed and interpreted by the laws of the State of Ohio.

9.17 Severability. In the event any provision or section of this Agreement conflicts with the applicable law, such conflicts shall not affect the provisions of the Agreement which can be given effect without the conflicting provision.

ARTICLE X.
AMENDMENTS

10.0 Amendments. This Operating Agreement may be altered, amended, restated, or repealed and a new Operating Agreement may be adopted by the affirmative majority in interest vote of all of the Members, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

CERTIFICATION

THE UNDERSIGNED, being all of the Members of TOWER VENTURE 97-A, LTD An Ohio Limited Liability Company, evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by each Member on the Date indicated.

Class I Managing Member:

Tower Venture, an Ohio Business Trust

By:_____
Philip A. Lehman, Managing Director

Date:_____

Class II Members:

_____ _____

Date:_____ Date:_____

_____ _____

Date:_____ Date:_____

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PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS

Baylor/Gavic LLC period ending October 15, 1998 has been extended from October 15, 1998 to December 15 1998

Baylor/Gavic LLC, An Ohio Limited Liability Company ("Company")

Offering Consisting of
Units of Preferred Ownership Interest with Preferred Membership ("Units") In the Company
$50,000,000
Offered From August 15, 1998 through October 15,1998
(May be extended to December 15, 1998. See Period of Offering)
Co-Sponsors: Tower Venture LLC, an Ohio Limited Liability Company. ("Tower Venture")
and Baylor/Gavic Associates LLC

	Price to Investor (1)	Underwriting Commission (2)	Net Proceeds For Investing
Minimum Per Investor	$ 1,000,000	None	$ 1,000,000
Minimum Of Offering	$ 1,000,000	None	$ 1,000,000
Maximum Of Offering	$ 50,000,000	None	$ 50,000,000

(1) The amount of a Unit shall be $1,000. A minimum of One Thousand Units per Investor is required. No fractional Units will be permitted.

(2) No commissions or other compensation for selling Units are available.

THIS OFFERING IS AVAILABLE ONLY TO "ACCREDITED INVESTORS." THE INVESTOR MUST BE AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE INVESTOR SHOULD CONSULT IT'S OWN LEGAL COUNSEL, ACCOUNTANT AND/OR OTHER PROFESSIONAL ADVISORS AS TO LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THIS OFFERING. (See Suitability and Advisors)

THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES AGENCY HAS PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE PURCHASE OF THIS INVESTMENT SHALL NOT BE THE RESULT OF ANY OFFER OR SOLICITATION OF AN EXEMPT SECURITY, OR EXEMPT TRANSACTION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON OTHER THAN THE SPONSORS AND THE UNDERWRITER HAVE BEEN AUTHORIZED TO GIVE ANY INFORMATION (OTHER THAN THAT CONTAINED IN OTHER DOCUMENTS REFERRED TO HEREIN) OR TO MAKE ANY REPRESENTATIONS CONCERNING THIS OFFERING OTHER THAN THOSE CONTAINED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

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Ex 3

EXHIBIT
S-19
Adm.

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proceeds while on deposit in the Escrow Account (net of bank escrow fees) in addition to the amount which the Investor is entitled by Unit ownership in a Transaction.

A Transaction may be undertaken solely by the Company and not by any individual Investor or in partnership with any Investor. The Company may enter into a joint venture with other companies managed by Tower Venture LLC ("Joint Venture") to undertake a Transaction on a pro rata basis as a member of said Joint Venture. The Joint Venture would be managed by Tower Venture LLC. At any time after the investment proceeds ("Funds") accumulated and held in the escrow account amount to Ten Million Dollars ($10,000,000) or more, the Company may initiate the Transaction and break escrow. With the initiation of the Transaction, the Funds will be transferred to and deposited in an interest bearing account ("Reserved Funds Account") in the name of the Company or in the name of a Joint Venture in a money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture may determine.

The Funds will remain on deposit in the Reserved Funds Account for purposes of the Transaction for a period not to exceed sixty (60) days. At no time will the Reserved Funds Account or the Funds therein be subject to any lien, claim, security interest, or hypothecation whatsoever. During said sixty (60) day period, said Funds will be placed on hold for a period of twenty (20) international banking days ("Reserved Period") pursuant to a contract entered into by the Company or a Joint Venture with a trading company sponsored by a European money center bank which will service the Transaction ("Transaction Bank"). Such hold or reserved status of Funds is similar to the "blocking" of funds in that the Funds cannot be removed, transferred, withdrawn or hypothecated during the Reserved Period. However, unlike blocking, there is no underlying claim on said funds.

The Transaction takes place during the Reserved Period (see Summary of Transaction). Funds and all proceeds derived by the Company from the Transaction (including its pro rata share from any Joint Venture) will be utilized to first pay their Maximum Return. Such Maximum Return will be paid to the Investor within five international banking days after the end of the Reserved Period. Upon said payment to Investor, Investor's Units will be automatically redeemed and cancelled and Investor's Preferred Membership in the Company will be automatically terminated. No payment will be made by any Joint Venture or the Company to Common Members of the Company, to others, or for any costs whatsoever, in the respective Transaction until Investors have been paid their Maximum Return.

On a "best efforts" basis, the Company expects, but is unable to assure, that the Transaction will provide a substantial amount of profit. The actual amount of profit will remain uncertain and unknown until just prior to the execution of the Transaction contract; however, the profit is expected to be substantially greater than the amount required to achieve the Maximum Return for an Investor. All profit received by the Company will be allocated to the Investors (Preferred Members) until depleted or the Investors have received their Maximum Return. The remaining profit, if any, will be allocated to payment of Company costs and then to the Co-Sponsors (Common Members). Once an Investor has received his Maximum Return for a particular Transaction, his Units will be redeemed, his preferred membership in the Company represented by said Units will be terminated, and he will have no further claim to any profit or cash of the Company. Any consideration by an Investor to reinvest must be directed by the Co-Sponsors to a separate Transaction under the Offering.

USE OF PROCEEDS

The entire proceeds from the Investor will deposited into the Reserve Funds Account as part of the proposed transaction contemplated in this offering. See The Offering and Transaction Summary).

	Amount (000's Omitted)	
	Minimum	Maximum
USE OF INVESTMENT PROCEEDS – Deposited into Reserved Funds Account	$ 10,000	$ 50,000

MANAGEMENT

Management of the Company shall be exercised by Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and a Co-Sponsor of this offering. As Managing Member of the Company, Tower Venture LLC will execute policy set by the directors of the Company and pay the costs and liabilities of operating the Company. As manager, Tower Venture LLC will be responsible on behalf of the Company for the Company's compliance with all applicable federal and state statutes and regulations relating to the Company's formation, operation, and business. The duties and responsibilities of Tower Venture LLC as manager of the Company are set out in the Company's Operating Agreement, Exhibit I hereto. The Company's board of directors consists of all Common Members of the Company. (See Co-Sponsors/Directors).

Tower Venture LLC is managed and controlled by five directors: Philip A. Lehman, John L. Runft, Rick D. Shirrell, Steve C. Swanson, and James R. "Jack" Stites. All decisions made and all action taken by Tower Venture LLC must be upon unanimous vote of the above named directors, except that the vote of a single director can cause dissolution of Tower Venture LLC. Whereas the affairs of Tower Venture LLC will be managed by said five directors, certain of the directors shall have various, specific responsibilities related to such management. Philip A. Lehman serves as chairman of the board of directors and as President of Tower Venture LLC. John L. Runft serves as Secretary of Tower Venture LLC and as legal advisor. Independent of the offices of President and Secretary, all directors have been and will be assigned specific tasks regarding the management and operation of Tower Venture LLC.

The ownership of Tower Venture LLC resides in the five entities listed below:

1. S & P Business Trust, an Ohio business trust,
   managed by Philip A. Lehman and Sara A. Merrick;

2. Karlinmar Holding LLC, an Idaho limited liability company,
   owned by Runft family entities and,
   an Ohio business trust managed by John L. Runft;

1981); Member, President's Partners, Albertson College of Idaho (1982-1990; and several other civic organizations.

Mr. Runft has a B.A. degree in Political Science from Albertson College of Idaho in 1962 in Caldwell, Idaho and a J.D. degree from the University of Chicago Law School in 1965. While at the University of Chicago Law School, he was the recipient of a National Honor Scholarship and he earned the Jackson Prize in Constitutional law.

RICK D. SHIRRELL, age 41, is the founder and principal of Financial Consulting Group, a consulting services firm. He established his firm during 1990 to engage in providing financial and technical services to major corporations, smaller companies and individuals. He is currently a Director and Consultant for various organizations in finance and technology.

From 1984 to 1990, prior to establishing his own firm, Mr. Shirrell was a Senior Vice President of Landmark Bankshares Corporation, a multi-billion dollar regional bank holding company with headquarters in St. Louis. He was a member of the Executive Management Committee and his responsibilities included operations, systems, acquisitions, merger and corporate special projects. For a subsidiary, Landmark Services Corporation, he was Executive Vice President, Chief Operations Officer and Director responsible for all corporate functions and services of centralized operations, information technology, document processing, affiliate bank profitability, productivity, and bank acquisitions and mergers. From 1981 to 1984, Mr. Shirrell was a Senior Consultant for KPMG Peat Marwick in St. Louis. He is also a Director of Tower Venture LLC.

Mr. Shirrell has authored many articles on the topics of financial institution profitability, business strategies and financial industry trends. He is a member of the American Bankers Association, Financial Managers Society, and Southeast Missouri State University Alumni Board. He received a B.S. degree in Business Administration in 1979 from Southeast Missouri State University. In addition, he has completed graduate work at the School of Business of Washington University in St. Louis.

STEVE C. SWANSON, age 60, is the sole stockholder and President of Swanson & Co., Inc., an investment services firm. He is the Registered Principal and Registered Representative of the firm, which is a member of the National Association of Securities Dealer, Inc. (NASD). He is a major shareholder, Director and Officer of several small companies mostly in the real estate industry. He is also a Director of Tower Venture LLC.

Mr. Swanson established the company along with Swanson Investments, a sole proprietorship, during 1978 to engage in the field of investments and investment services. He is a sponsor/general partner in several private placement syndications. One of them was underwritten by Boettcher & Company, a regional investment banking firm with headquarters in Denver, Colorado. The others were underwritten by Swanson & Co., Inc. In addition, Mr. Swanson has provided financial and investment advisory and management services to many privately owned companies.

Prior to 1978, Mr. Swanson had an extensive, diversified, seventeen year financial services background which included eleven years in the practice of public accounting with local firms, international firms and as a sole practitioner. In 1971, he was a manager in the Boise/San Francisco office of Coopers & Lybrand (now PricewaterhouseCoopers). During the remaining

respective investments plus one hundred percent (100%) profit before any Funds or proceeds generated by the Transaction may distributed to the Common Members or applied to the Company's costs or debts. The Units are redeemed and the preferred membership is terminated upon payment to the Investor within five (5) international banking days after the Reserved Period. The accounting records of the Transaction shall be open to those Preferred Members (Investors) who provided investment proceeds utilized in the Transaction at any time, up to five (5) years after termination of said preferred membership.

(b) Common Membership. Common Membership is issued and limited only to the Co-Sponsors, Tower Venture LLC, an Ohio limited liability company, and Baylor/Gavic Associates LLC, an Illinois Limited Liability Company. Tower Venture LLC is the Manager of the Company, subject to the board of directors, and will bear the costs of operating the Company. As the common members, Tower Venture LLC and Baylor/Gavic Associates LLC will be entitled to all Funds and/or proceeds generated by the Transaction after payment of the preferred members' priority interest, costs of operation, and other obligations of the Company.

3. Offering. This Offering to Investors is for the purchase of Units of preferred ownership interest with Preferred Membership in the Company for the price of One Thousand Dollars ($1,000) per Unit. This Offering is an exempt offering pursuant to Rule 506 under SEC Regulation D. A Form D will be filed with the SEC for the offering. This Offering is available only to "Accredited Investors" as defined pursuant to Rule 501 under SEC Regulation D. (See Offering)

4. Co-Sponsors. Tower Venture LLC, an Ohio limited liability company and Baylor/Gavic Associates LLC, an Illinois Limited Liability Company, are the Co-Sponsors of the Company and of the offering. (See Co-Sponsors).

5. Offeror. The Company is the Offeror of this private placement for Accredited Investors. (See Offering).

6. Issuer. The Company is the Issuer of this Offering.

7. Management. Tower Venture LLC is the Managing Member of the Company subject to policy direction by the Board of Directors. (See Management).

8. Underwriter. Tower Equities, Inc., 8141 N. Main Street, Dayton, Ohio 45415 is the Underwriter for this Offering. Tower Equities, Inc. is registered with the SEC and is a member of the National Association of Securities Dealers ("NASD") and is a registered investment advisor. (See Underwriter).

9. Joint Venture. The Company may form a Joint Venture with other companies managed by Tower Venture LLC in order to undertake a Transaction in the name of the Joint Venture so as to accrue the transactional advantages of the aggregation of the combined assets of member venturers. A chart depicting the potential organizational relationships involved in such Joint Ventures is attached as Exhibit J.

RISK FACTORS

The Investors, as Accredited Investors, are expected to consider, independent from this offering document, the risks associated with investing in a unique investment such as provided by this offering.

There are various kinds and degrees of risk associated with investing in this offering. One of the significant risks is the alternative use of money while the investment is in the Escrow account and the Reserved Funds Account and the possibility that the investment will be returned with no profit other than minimal Escrow account interest. The Company believes that there is minimal risk associated with preserving the investment while in the Reserved Funds Account. Those with the authority to execute the Transaction documents have been specifically instructed to not put the Funds (Reserved Funds Account) at risk.

There are, however, certain risks to the Investor involved in entering into a Transaction that:

- is outside of the United States.
  The Company believes that the Reserved Funds Account has minimal risk but any profit that is expected to result from the transaction has greater risk of not being realized by the Company. The Reserved Funds Account will be in the United States or, if appropriate for the Company, in Europe. The Transaction will occur in Europe.
- involves certain non-disclosed information.
  These Transactions are private transactions which involve confidential agency and other agreements, the terms of which the parties are typically reluctant to discuss publicly.
- involves certain agreements to be entered into after the offering period.
  The proposed Transaction contract will be presented to the Company only after the Reserved Funds Account has been established.
- involves an area of investing in which the terms and conditions are constantly changing.
  These Transactions are subject to rapidly changing economic conditions and the pressures of supply and demand of financial instruments and the investment capital.
- is dependent on the integrity, competence and judgment of the Co-Sponsors.
  The documents will be received and reviewed by the Managing Director of the Company and the final documents executed by Mr. Lehman as CEO and Mr. Runft as Secretary and Company transactional attorney. The Managing Director represents that the Company will comply with terms of this Offering.
- is dependent on individuals with limited direct experience with these kind of transactions and the third parties to the Transactions.
  The Members of the Managing Director, while very experienced businessmen and professionals, have limited experience relating to the type of transaction and the third parties to the expected Transaction.
- is affected by certain income tax issues as outlined in Tax Aspects.
  Any income will be taxable as ordinary income to U.S. income tax paying entities. Any loss will not be, for the most part, deductible except as an offset to either capital gains or passive income, depending on the tax treatment allowed pursuant to the Internal Revenue Code.

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Any and all other significantly relevant, non-confidential information not included herein, will be made available by the Managing member, Tower Venture LLC, to all Investors at the proper time for making an adequate evaluation prior to investing. (See Suitability and Advisors).

UNDERWRITER

The Company has entered into an underwriting agreement with Tower Equities, Inc. (the Underwriter). This agreement is attached to the Offering as Exhibit B.

The Company has employed the Underwriter as its agent to sell, on a "best efforts" basis, Units as outlined on the cover page of this Offering. The Underwriter will receive no compensation. However, if the Managing Member of this Offering successfully completes a Transaction through this or other offerings, the Underwriter will be reimbursed for certain specified expenses incurred in this Offering.

Although the Underwriter will receive no compensation if it sells this Offering, an affiliated entity of the Underwriter will receive a substantial profit. Philip A. Lehman, the principal shareholder of the Underwriter, has indicated that he believes the Underwriter will directly or indirectly receive appropriate benefits upon the successful completion of a Transaction through this or other offerings. See Management and Conflicts of Interest.

The Underwriter, an Ohio corporation, is a member firm of the National Association of Securities Dealers, Inc. (NASD) and an Investment Adviser registered with the SEC. The Underwriter has approximately one hundred (100) licensed securities sales representatives located in thirty (30) states.

CO-SPONSORS/DIRECTORS

The Co-Sponsors of this Offering are two limited liability companies which are the Common Members and Directors of the Company.

One of the Co-Sponsors is Tower Venture LLC, an Ohio limited liability company, which is also the Managing Member of the Company. It was formed without capital as a service company for providing investment opportunities to investors similar to the investment opportunity presented in this offering. (See Management).

The other Co-Sponsor is Baylor/Gavic Associates LLC, an Illinois limited liability company. It was formed without capital as a service company for providing certain expertise and management assistance services to the Company. Baylor/Gavic Associates LLC will be responsible for providing investment, business, financial and insurance advice, contracts, and expertise to the Company and to assist Management in these and related areas.

Baylor/Gavic Associates LLC is owned, managed and controlled by Kenneth G. Baylor, Mark H. Gavic, and C. Harlon Gavic, Managing director(s):

Kenneth G. Baylor, age 47, is co-founder of Marken Enterprises, a Midwest marketing company specializing in insurance and high-yield investments. Since leaving his position as Vice-President of Annuities and Life Insurance Marketing in 1990, he has concentrated his efforts on working with brokers to find the highest yielding investments for their clients.

EXHIBIT A

DESCRIPTION OF TRANSACTION

A Reserved Funds Transaction ("Transaction") can take place only when the Reserved Funds Account contains investment proceeds on deposit in the sum of at least Ten Million Dollars ($10,000,000). Depending upon the number of Investors and as set forth in the Operating Agreement, the Managing Member of the Company may elect not to participate in a Transaction until the escrow account contains a specified sum in excess of One Million Dollars ($1,000,000) in order to compensate for any unanticipated withdrawal of investment proceeds by an Investor seeking a refund. When the investment proceeds in escrow reach the agreed level, the Managing Member of the Company will instruct the Underwriter to give the respective financial management company notice and proof that the requisite funds are on deposit ready to proceed with the Transaction. Such notice and proof of funds may be given by a Joint Venture of which the Company is a member. This notice and proof of funds will be accompanied by the Company's, or respectively the Joint Venture's, application to undertake the Transaction and the resolution of the Company or the Joint Venture authorizing the Transaction and other documents required by the financial management company. Upon approval of the application, the financial management company will instruct the Company or the Joint Venture, as the case maybe, to establish an interest bearing account ("Reserved Funds Account) in the name of the Company or the Joint Venture in a designated money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture and the financial management company may determine. Upon the selection of the designated Reserved Funds Bank, the financial management company will make arrangements for the Company or the Joint Venture to establish the Reserved Funds Account at that bank.

Immediately upon the establishment of the Reserved Funds Account, the Company will break escrow and transfer the investment proceeds from the escrow account to the Reserved Funds Account. Upon receipt of confirmation of the deposit of the investment proceeds in the Reserved Funds Account, the financial management company will cause a draft of the Transaction contract to be sent Tower Venture LLC as the Managing Member of the Company or of the Joint Venture for review and approval.

The Transaction commences with the execution of the Transaction contract in Europe between the Managing Member on behalf of the Company or the Joint Venture, as the case may be, and a designated trading company authorized and sponsored by a money center bank ("Transaction Bank"). The fee arrangement between the Company and the financial management company will be incorporated into the Transaction contract. The execution of the Transaction contract takes place in the Transaction Bank between the Company or the Joint Venture represented by the Managing Member and the trading company in the presence of an officer of the Transaction Bank and possibly a representative of the financial management company. The trading company's sponsorship and authorization by the Transaction Bank will be confirmed and authenticated at the time of the execution of the Transaction contract. The Transaction provides that the Funds in the Reserved Funds Account shall be reserved (placed on hold) for a period of twenty (20) international banking days. The provisions of the Transaction contract whereby the Company or the Joint Venture agrees to the placing of the Funds on reserve status, or hold, will not create or cause to be created any security interest in, liens or claims against, or any other hypothecation of the Funds in the Reserved Funds Account. The effect of the reserved status (hold) on said Funds shall be that during said twenty (20) day period, said

EXHIBIT B

UNDERWRITING AGREEMENT

THIS Underwriting Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and between Baylor/Gavic LLC, an Ohio limited liability company (the "Company") and Tower Equities, Inc., an Ohio corporation (the "Underwriter").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15,1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum (Private Placement Memorandum for Accredited Investors) is attached hereto as Exhibit A.

C. The Company desires to retain the services of the Underwriter on an exclusive basis in the Offering for the purposes of supervising and controlling the solicitation and qualification of the Investors for the sale of Units, collection and deposit of sales proceeds into escrow and related underwriting functions.

D. The Underwriter is a member of the National Association of Securities Dealers, Inc. (NASD) and an SEC registered investment advisor. For consideration, the Underwriter is willing to provide underwriting services to the Company, including but not limited to, the supervision and control of the sale of Units, the solicitation and qualification of the Investors for the sale of Units, the execution of the subscription agreements, and the receipt and deposit of sales proceeds into escrow relative to the Offering.

NOW, THEREFORE, in consideration of the foregoing recitals and of the terms, conditions and covenants contained herein, the parties hereto agree as follows:

1. The Company hereby retains the Underwriter on an exclusive basis for the Offering to provide the hereinafter described underwriting services with respect to the Offering, and the Underwriter for the consideration hereinafter set forth agrees to provide said limited underwriting services.

2. The services to be provided by the Underwriter shall be exclusively for, and related to, the Offering and shall be comprised of the following services, including such services as are reasonably deemed necessary to accomplish said services:

(a) The Underwriter shall be the exclusive provider of the herein described underwriting services, however it is understood that Underwriter at its

THE COMPANY: Baylor/Gavic LLC
8141 N. Main Street
Dayton, OH 45415
Attention: Philip A. Lehman

THE UNDERWRITER: Tower Equities, Inc.
8141 N. Main Street
Dayton, OH 45415
Attention: Philip A. Lehman

6. General Provisions.

A. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.

B. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.

C. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

D. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.

E. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.

F. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.

G. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.

H. Execution of Multiple Originals: Two original counterparts of this agreement shall be executed by these parties.

I. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

EXHIBIT C

ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and among Baylor/Gavic LLC, an Ohio limited liability company (the "Company"); Tower Venture LLC, an Ohio limited liability company as the Managing Member of the Company ("Managing Member"); Tower Equities, Inc., an Ohio corporation (the "Underwriter"), and Star Bank N.A., Troy, Ohio (the "Bank").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15, 1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum is attached hereto as Exhibit A.

C. Management of the Company is vested in Tower Venture LLC, which is the managing common member of the Company. All documents of the Company are signed on its behalf by Tower Venture LLC as the managing member, through its president, Philip A. Lehman.

D. The Units offered by the Company are sold through the Underwriter, Tower Equities, Inc. The Underwriter supervises and controls the solicitation and qualification of the Investors, execution of the subscription agreement, receipt and deposit of sales proceeds into escrow and performs other related underwriting functions. The Company and the Underwriter have entered into an Underwriting Agreement, a copy of which is attached hereto as Exhibit B.

E. In accordance with the requirements of the Offering, the Managing Member has determined that the Company will not commence operations unless and until subscriptions for the aggregate minimum of ten Units have been received and accepted by the Underwriter on behalf of the Company from subscribing Investors and the proceeds from said sales have been deposited in the escrow account with the Bank for an aggregate minimum of at least One Million Dollars ($1,000,000).

F. The Bank is willing to establish in the name of the Company a segregated interest bearing account for the escrow of Unit sales proceeds (the "Escrow Account") and to act as escrow agent for said escrowed funds in accordance with the terms of this Agreement.

G. In accordance with the terms of the Offering, the Company through the Managing Member has determined that Unit sales proceeds shall be held in the Escrow Account until the aggregate of said proceeds equals or exceeds the sum of One Million Dollars ($1,000,000) at which time the escrow may be broken and the proceeds thereof utilized by the Company for the purposes of the Offering. Such One Million Dollar aggregations of Unit sales proceeds may be repeated until the maximum of the Offering has been attained.

subscribing investors must be provided to the bank in conjunction with the request to disburse the net escrow proceeds. This procedure may be repeated for each such Ten Million Dollar aggregation of such proceeds in the Escrow Account until the aggregated maximum amount of the Offering has been reached.

7. If at any time during the term of the Offering a subscribing Investor makes written demand upon the Company or the Underwriter for the return of said Investor's investment, an amount equal to said Investor's respective investment plus his pro rata share of investment interest earned in the Escrow Account net his pro rata share of escrow fees to date shall be returned to him upon written notice thereof given to the Bank by the Managing Member on behalf of the Company and by the Underwriter. Upon receipt of such notice, the Bank shall distribute said net amount to said Investor at the Investor's address provided by the Managing Member or the Underwriter in the form of a bank cashier's check payable to said Investor.

8. If at the expiration of the term of the Offering (and any extensions thereof) the collected sales proceeds from the subscriptions of at least One Thousand (1,000) Units ($1,000,000) are not on deposit in the Escrow Account, the Company through the Managing Member and the Underwriter shall so notify the Bank in writing. Said notice to the Bank shall include the name and mailing address of each subscribing Investor for the purpose of the return of the escrowed funds. Upon receipt of said notice, the Bank shall as soon as possible thereafter cause cash payments to be distributed to each subscribing Investor at said mailing address provided by the Company or the Underwriter. Said cash payments to the subscribing Investors shall be the amount of the Investor's respective investment plus Investor's pro rata share of the investment interest earned by the Escrow Account, net his pro rata of escrow fees. Such distribution to the subscribing Investor shall be in the form of a bank cashier's check payable to said Investor.

9. The Bank may rely and shall be protected in acting upon any written or verbal notice, instruction or request to the Bank hereunder and believed by it to be genuine and believed by it to have been signed or made by the appropriate party pursuant to this Agreement.

10. The Bank shall not be liable for any action taken or not taken by it in good faith and believed by it to be authorized or within the rights of powers conferred upon it by this Agreement. With regard to any such action or omission, the Bank may consult with counsel of its own choice. Any action taken or suffered by the Bank hereunder in good faith shall be deemed to have been authorized by the Company and its Managing Member and by the Underwriter. The Bank is not bound by the terms of any other agreements between the parties, despite knowledge thereof, including the agreements attached hereto as Exhibits A and B.

11. The Bank may resign and be discharged from its duties hereunder by giving fifteen (15) days written notice of such resignation specifying the date when its resignation shall take effect.

12. The Company hereby agrees to pay the Bank reasonable compensation for services to be rendered hereunder and will pay or reimburse the Bank upon request for all expenses, disbursements and advances, including reasonable attorney fees incurred or made by it in

THE BANK: Star Bank N.A.
910 W. Main Street
Troy, OH 45373
Attention: Thomas J. Kleptz, V.P. Trust Officer

17. General Provisions.

a. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.
b. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.
c. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.
d. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.
e. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.
f. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.
g. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.
h. Execution of Multiple Originals: Four original counterparts of this agreement shall be executed by these parties.
i. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

IN WITNESS WHEREOF, the parties hereto have executed and made effective this Agreement on the day and year first above written.

THE COMPANY: Baylor/Gavic LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President
Of the Managing Member

MANAGING MEMBER: Tower Venture LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President

UNDERWRITER: Tower Equities, Inc.

By _____
Philip A. Lehman, Chairman

THE BANK: Star Bank N.A.

By _____
Thomas J. Kleptz, V.P. Trust Officer

EXHIBIT D
to Private Placement Memorandum
for Accredited Investors

BAYLOR/GAVIC LLC

Purchaser Questionnaire

Baylor/Gavic LLC
8141 N. Main St.
Dayton, OH 45415

Attention: Philip A. Lehman

Re: Baylor/Gavic LLC

Gentlemen:

The following information is furnished to you in order for you to determine whether the undersigned is qualified to purchase Units of Preferred Ownership With Preferred Membership (Units) in the above referenced company pursuant to sections 4 (2) of the Securities Act of 1933, as amended (the "Act"), Regulation D promulgated thereunder, and appropriate provisions of applicable state securities laws. I understand that you will rely upon the following information for purposes of such determination, and that the Units will not be registered under the Act in reliance upon the exemption from registration provided by sections 4 (2) of the Act, Regulation D, and appropriate provisions of applicable state securities laws.

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. However, I agree that you may present this questionnaire to such parties as you deem appropriate if called upon to establish that the proposed offer and sale of the units is exempt from registration under the Act or meets the requirements of applicable state securities laws.

I hereby provide you with the following representations and information:

1. Name: _____

2. Residence Address & Telephone No: _____

3. Mailing Address: _____

4. Employer & Position: _____

5. Business Address & Telephone No: _____

6. Business or Professional Education & Degree: _____

7. Prior Employment (5 Years):

Employer	Nature of Duties	Dates of Employment

8. Prior Investments of Purchaser:

	Amount (Cumulative)			
Capital Stock	None____	Up to $50,000____	$50,000 to $1,000,000 ____	Over $1,000,000____
Bonds	None____	Up to $50,000____	$50,000 to $1,000,000____	Over $1,000,000____
Other	None____	Up to $50,000____	$50,000 to $1,000,000____	Over $1,000,000____

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10. Financial Information:

(a) I represent that my individual net worth (exclusive of home, home furnishings and personal automobiles) is in excess of $_____

(b) I represent that my individual net worth including home, home furnishings and personal automobiles is in excess of $_____

(c) I represent that my individual joint gross income was in excess of:

1996		$_____
1997		$_____
1998 (estimate)		$_____

(d) I have such knowledge and experience in financial; tax and business matters that I am capable of utilizing the information made available to me in connection with the offering of the Notes to evaluate the merits and risks of an investment in the Notes, and to make an informed investment decision with respect to the Notes. I do not desire to utilize a Purchaser Representative in connection with evaluating such merits and risks. I understand, however, that the Company may request that I use a Purchaser Representative.

Please Initial Here _____

11. Except as indicated below, any purchases of the units will be solely for my account, and not for the account of any other person or with a view to any resale or distribution thereof.

12. I represent to you that the information contained herein is complete and accurate and may be relied upon by you. I understand that a false representation may constitute a violation of law, and that any person who suffers damage as a result of a false representation may have a claim against me for damages. I will notify you immediately of any material change in any of such information occurring prior to the closing of the purchase of units, if any, by me.

_____
Name (Please Print)

_____
Signature

Executed at _____
(City) (State)

on this _____day of _____, 19___

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Exhibit D, p. 3

EXHIBIT E

SUBSCRIPTION AGREEMENT
FOR UNITS OF BAYLOR/GAVIC LLC
AN OHIO LIMITED LIABILITY COMPANY

The undersigned hereby agrees to purchase ____ units of Preferred Ownership Interest With Preferred Membership ("Units") in Baylor/Gavic LLC, an Ohio limited liability company (the "Company"), at the price of $_____per Unit for an aggregate subscription of $_____ . The undersigned agrees that concurrently with signing this Subscription Agreement, he will pay the purchase price for all Units so subscribed by check for the purchase price to be held in escrow by Tower Venture LLC, (the "Managing Member") until subscriptions have been accepted for Units providing sufficient funds to commence Company operations, or if subscription occurs after such time, until _____ or any earlier release of funds to the company pursuant to the Company's Operating Agreement.

The undersigned hereby represents and warrants to the Managing Member, the Company and other investors that:

(a) I have read and understand the Private Placement Memorandum dated August 15, 1998, pursuant to which the Units are offered, the Certificate of ownership, Articles of Organization of the Company, the Operating Agreement of the Company, and the Certification of Adoption and Ratification of the Operating Agreement prior to my execution of this Subscription Agreement;

(b) I recognize the speculative nature of this investment;

(c) Disregarding my investment in the Company, I am one of the following: (1) Any bank, savings and loan association, broker or dealer, insurance company, investment company, business development company, Small Business Investment Company, and some employee benefit plans. (2) Any private business development company. (3) Any organization, corporation, business trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5 million. (4) Any director, executive officer or general partner of the issuer or of a general partner of the issuer. (5) Any person whose individual net worth, or joint net worth with spouse, at time of purchase exceeds $1 million. (6) Any person who had an annual individual income in excess of $200,000 in the past two years or annual joint income with spouse in excess of $300,000 in those years and has a reasonable expectation of reaching the same income level in the current year. (7) Any trust, with total assets in excess of $5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person. (8) Any entity in which all of the equity owners are accredited investors.

(d) I have reviewed the documents and information relating to the transaction and have substantial experience in investments and business matters and recognize the merits, disadvantages and risks of an investment in this nature, and/or business, tax and/or legal advisors have reviewed the documents and information relating to this transaction and they have advised me as to the merits, disadvantages and risks of this offering.

(e) I acknowledge that the Units to be sold in this offering have not been registered under the Securities Act of 1933 in reliance upon the exemption provided by Section 4 (2) of said Act.

(f) I understand that certain precautions are necessary to ensure that no Units are resold in violation of Section 4 (2) and that the Managing Member will make the necessary notations in the records of the Company to prevent the transfer of any Units in violation of the above restrictions;

(g) I understand that (i) the Units are unregistered securities and can be resold by a purchaser only if he registers the Units under the Securities Act of 1933 or obtains an opinion of counsel satisfactory to the Managing Member that registration is not required , and (ii) this restriction on transfer is in addition to the restrictions in Section 4 (2) stated above.

(h) I am acquiring the Units that I have committed to purchase for my own account as principal for investment purposes only and without a view to the resale, transfer or distribution thereof, and I will not offer to sell or

EXHIBIT F

MEMBER CERTIFICATION OF ADOPTION AND
RATIFICATION OF OPERATING AGREEMENT

THE UNDERSIGNED, being Members of Baylor/Gavic LLC, An Ohio Limited Liability Company, (the "Company") evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by Members on the date indicated.

COMMON MEMBERSHIP:

Tower Venture LLC, an Ohio Limited Liability Company

By _____
Philip A. Lehman, Managing Director

Date: _____

Baylor/Gavic Associates LLC, an Illinois Limited Liability Company

By _____
Kenneth G. Baylor, Managing Director

By _____
Mark H. Gavic, Managing Director

Date: _____

PREFERRED MEMBERS:

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

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EXHIBIT G

CERTIFICATE NO. _____ _____ Preferred Units
(fully paid, redeemable)

CERTIFICATE OF OWNERSHIP

OF PREFERRED UNITS OF
BAYLOR/GAVIC LLC

THIS CERTIFIES that _____ is the registered Owner of _____ ( ) Preferred Units of Ownership with membership in _____ LLC an Ohio Limited Liability Company, having two classes of membership: Preferred and Common.

The Preferred Units represented by this certificate are not transferable, but are redeemable by the Owner or the Company. Redemption of Preferred Units shall be by the payment of money by the Company to the Owner as provided in the Operating Agreement of the Company. Upon redemption of any Preferred Units, the Preferred Membership in the Company represented by said redeemed Preferred Units shall be automatically terminated.

IN WITNESS WHEREOF, the Company has caused this CERTIFICATE to be issued and signed by The President of its duly authorized Managing Member, this _____ day of _____, 1998.

_____ LLC

By _____
Philip A. Lehman, President of
Tower Venture LLC
Managing Member of Baylor/Gavic LLC

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EXHIBIT H

ARTICLES OF ORGANIZATION

BAYLOR/GAVIC LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

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(c) A copy of all written contracts and agreements, including copies of any prior agreements no longer in effect.

(d) A copy of all tax returns and financial statements for the last three years of operation.

(e) A record of contributions from and distributions to each Member by the Company as required under Ohio Revised Code Section 1705.28.

9. Amendment of Articles. These articles may be amended only by a majority in interest vote of each class of membership.

Dated this 15th day of August, 1998.

IN WITNESS WHEREOF the Undersigned Common Members have executed these Articles of Organization on the date above written:

Tower Venture LLC

By: _____
Philip A. Lehman, President of Tower Venture LLC

Baylor/Gavic Associates LLC

By: _____
Kenneth G. Baylor, Managing Director of Baylor/Gavic Associates LLC

By: _____
Mark H. Gavic, Managing Director of Baylor/Gavic Associates LLC

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EXHIBIT I

OPERATING AGREEMENT
OF

BAYLOR/GAVIC LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

THE PREFERRED UNITS HEREIN DESCRIBED AND REPRESENTED AND ISSUED BY THIS LIMITED LIABILITY COMPANY (the "COMPANY") UNDER AND PURSUANT TO THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "1933 ACT") OR ANY APPLICABLE STATE SECURITIES LAWS AND ARE AVAILABLE FOR PURCHASE ONLY TO "ACCREDITED INVESTORS" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE 1933 ACT, AS AMENDED. SAID PREFERRED UNITS ARE BEING OFFERED TO INVESTORS BY THE COMPANY PURSUANT TO A PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS ("OFFERING MEMORANDUM") WHICH IS ATTACHED TO THIS OPERATING AGREEMENT AND BY THIS REFERENCE MADE A PART HEREOF. THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY HAVE PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE OFFERING. THE PREFERRED UNITS SOLD PURSUANT TO THE OFFERING HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT IN RELIANCE UPON THE EXEMPTION FROM REGISTRATION PROVIDED BY SECTION 4(2) OF THE ACT AND PURSUANT TO RULE 506 UNDER REGULATION D OF THE U.S. SECURITIES AND EXCHANGE COMMISSION.

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ARTICLE VIII NOTICE
8.1 Notice
8.2 Waiver of Notice

ARTICLE IX GENERAL PROVISIONS

9.1 Entire Agreement
9.2 Assignment
9.3 Execution of Other Documents
9.4 Binding Effect
9.5 No Waiver of Future Breach
9.6 Attorney's Fees
9.7 Governing Law
9.8 Execution of Multiple Originals
9.9 Severability

ARTICLE X. AMENDMENTS

10.0 Amendments

RATIFICATION AND EXECUTION

2.3 Operating Agreement. This Operating Agreement as maintained in the records of the Company constitutes the total and complete Operating Agreement of the Company superceding and excluding all other agreements, memoranda, understandings except the Offering Memorandum, which is deemed to be part of this Operating Agreement.

ARTICLE III
MEMBERSHIP

3.1 Two Classes of Membership. There are two classes of membership in the Company:

(a) Common Membership
(b) Preferred Membership

3.2 Common Membership.

(a) The Company will issue one hundred (100) Units of Common ownership interest in the Company ("Common Units"). No certificates shall be issued for the common membership class or for Common Units. An owner of at least one (1) Common Unit is a member of the common membership class.

(b) The distribution of issued Common Units shall be set forth in this Operating Agreement and kept current by amendment, as the case may be. Accordingly, Common Units of the Company have been issued and distributed as follows:

Tower Venture LLC	96 Common Units
Baylor/Gavic Associates LLC	4 Common Units
Total	100 Common Units

(c) Each Common Member shall be entitled to the number of votes equal to the number of Common Units owned by him in all matters where the common membership is entitled to vote.

(d) The Common Members shall constitute the Board of Directors of the Company, which shall direct and manage the affairs and business of the Company. (See Article IV Management).

(e) The Common Members shall be entitled to all funds and/or proceeds generated by any Transaction after payment of the Preferred Members priority interest, costs of operation and other obligations of the Company as set forth in the Offering Memorandum.

(f) Persons holding common membership may also hold preferred membership and any contribution to capital made by such persons shall be made as Preferred Members and certificates for Units of Preferred Ownership Interest will be awarded accordingly to such person as Preferred members.

3.3 Preferred Membership.

(a) Preferred Members shall consist of those persons who contribute to the capital of the Company (invest) for which they shall receive certificates for Units of Preferred Ownership Interest ("Preferred Units") which automatically vests them with Preferred Membership.

(b) Although Preferred Members do not participate in the direction and management of the affairs and business of the Company, the affirmative vote of a majority of the Preferred Units of the Preferred Membership and of the Common Membership must be obtained in order to amend the Articles of Organization, or this Operating

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IV
MANAGEMENT

4.1 Board of Directors.

(a) The business and affairs of the Company shall be directed and managed by the Board of Directors composed of the Common Members of the Company. Each Common Member shall be a Director. Each Director shall have one (1) vote in all matters determined or acted upon by the Board of Directors, regardless of the number of Common Units owned by that Director as a Common Member. All references in the Offering or elsewhere to the vestment of the direction and management of the Company in the Common Members shall mean and be interpreted to mean the Common Members in their capacity as Directors of the Company acting as the Board of Directors of the Company.

(b) The Board of Directors shall appoint a Common Member of the Company to be the Managing Member of the Company. Said appointment shall be set forth and declared in this Operating Agreement.

4.2 Managing Member.

(a) The Board of Directors has appointed, and does hereby appoint, Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and Co-Sponsor of the Offering, to be the Managing Member of the Company. The Managing Member will be the Chief Executive Officer (CEO) of the Company responsible for the general overall supervision of the business and affairs of the Company subject to policy direction by the Board of Directors.

(b) When present, the Managing Member will preside at all meetings of the Board of Directors and meetings of Members. The Managing Member may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments which have been authorized by the Board of Directors or the appropriate class or classes of members to be executed, except in cases where the signing or execution is expressly authorized or delegated by the Board of Directors or by this Operating Agreement or by Statute to some other Officer or Agent of the Company; and, in general, Managing Member will perform all duties as may be prescribed by the Board of Directors from time to time.

(c) Since the Managing Member is an entity, the Chief Executive Officer of said Managing Member entity shall be the individual who acts on behalf of the Managing Member as CEO of the Company.

(d) The Managing Member will manage the day-to-day affairs and business of the Company and will execute direction and policy set by the Board of Directors of the Company. The Managing Member will be responsible on behalf of the Company for the Company's compliance with all federal and state statutes and regulations relating to the Company's formation, operation and business. Except for situations in which the approval of the Members is expressly required by the Articles of Organization or this Operating Agreement, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and assets of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business, subject to direction and the policies of the Board of Directors.

(e) The Managing Member shall have the authority to compromise any obligation of a Preferred Member to make a contribution for any reason whatsoever as the Managing Member deems to be in the best interests of the Company.

subject to the priority interest of the Preferred Members in the assets and income of the Company.

(b) Notwithstanding any other provision of this Operating Agreement or of the Offering Memorandum, no Director or Managing Member shall be liable to any Member of the Company with respect to any act performed or neglected to be performed in good faith and in a manner which such Director or Managing Member believed to be necessary or appropriate in connection with the ordinary and proper conduct of the Company's business or the preservation of its property, and consistent with the provisions of the Articles of Organization and this Operating Agreement.

(c) The Company shall indemnify the Directors and the Managing Member for and hold them harmless from any and all liability, whether civil or criminal, and any loss, damage or expense, including reasonable attorney's fees, incurred in connection with the ordinary and proper conduct of the Company's business and the preservation of its business and property; provided that the Director or Managing Member to be indemnified acted in good faith and in a manner such Director or Managing Member believed to be consistent with the provision of the Articles of Organization, this Operating Agreement and the Offering Memorandum; provided, further, that the funding of any such indemnification shall not in any way jeopardize or impact the funding of the Preferred Members' economic interests.

(d) The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Director, Officer, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding, if the Common Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgement, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, will not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(e) The Company will fund the indemnification obligations provided by this Section 4.6 in the manner and to the extent the Common Members may from time to time deem proper; provided, further, that such funding will not jeopardize the economic interests of the Preferred Members.

4.7 Confidential Information.

(a) Proprietary Information. Each Member of the Company hereby agrees that, for the term of this Agreement and for a period of three (3) years after the termination of this Agreement, the financial information relating to the Offering, including, but not limited to, information obtained from Preferred Members regarding their status as Accredited Investors, funds invested, the escrow account established pursuant to the Offering, and any and all Transactions engaged in by the

5.4 Common Membership Interests. Common Members will be entitled to all Funds in the Reserved Funds Account and/or proceeds generated by each and every Transaction after payment in full of the Preferred Members' priority interests, costs of operation, and other obligations of the Company. All such distributions shall be made either by bank cashier's checks or by wire transfer to the accounts designated by the respective Common Members to the Managing Member.

VI
FISCAL MATTERS

6.1 Fiscal Year. The fiscal year of the Company will begin on the first day of January and end on the last day of December each year, unless otherwise determined by resolution of the Members.

6.2 Income Tax Matters. The Company shall elect to be taxed on income as a partnership and on a cash basis.

6.3 Deposits. All funds of the Company will be deposited from time to time to the credit of the Company in the banks, trust companies or other depositories as the Managing Member may select, subject to change by resolution of the Board of Directors.

6.4 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company will be signed by the Managing Member.

6.5 Contracts. The Managing Member shall have the authority to enter into contracts and execute instruments in the name of the Company in relation to transactions approved by the Common Members and in relation to operation of the Company.

6.6 Accountant. An Accountant may be selected from time to time by the Managing Member to perform such tax and accounting services as may be required from time to time. The accountant may be removed by the Managing Member without assigning any cause.

6.7 Legal Counsel. One or more Attorney(s) at Law may be selected from time to time by the Managing Member to review the legal affairs of the Company and to perform other services as may be required and to report to the Managing Member with respect to those services. The Legal Counsel may be removed by the Managing Member without assigning the cause.

ARTICLE VII
BOOKS AND RECORDS

7.1 Books and Records. The books and records of the Company must be kept at the principal office of the Company or at other places, within or without the State of Ohio, as the Managing Member or Members from time to time determine.

7.2 Right of Inspection. Any Member of record will have the right to examine and make copies, at any reasonable time or times for all purpose, the books and records of account, minutes and records of Members. The inspection may be made by any agent or attorney of the Member. On the written request of any Member, the Company must mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

9.9 Severability In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

ARTICLE X
AMENDMENTS

10.0 Amendments. This Operating Agreement may be altered, amended, restated, or repealed and a new Operating Agreement may be adopted by the affirmative majority in interest vote of both classes of Membership, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

CERTIFICATION

THE UNDERSIGNED, being all of the Members of Baylor/Gavic LLC, An Ohio Limited Liability Company, evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by each Member on the Date indicated.

COMMON MEMBERS:

Tower Venture LLC

By:_____
Philip A. Lehman, President

Date:_____

Baylor/Gavic Associates LLC

By:_____
Kenneth G. Baylor, Managing Director

By:_____
Mark H. Gavic, Managing Director

Date: _____

Preferred Members:

_____

Date:_____

_____

Date:_____

_____

Date:_____

_____

Date:_____

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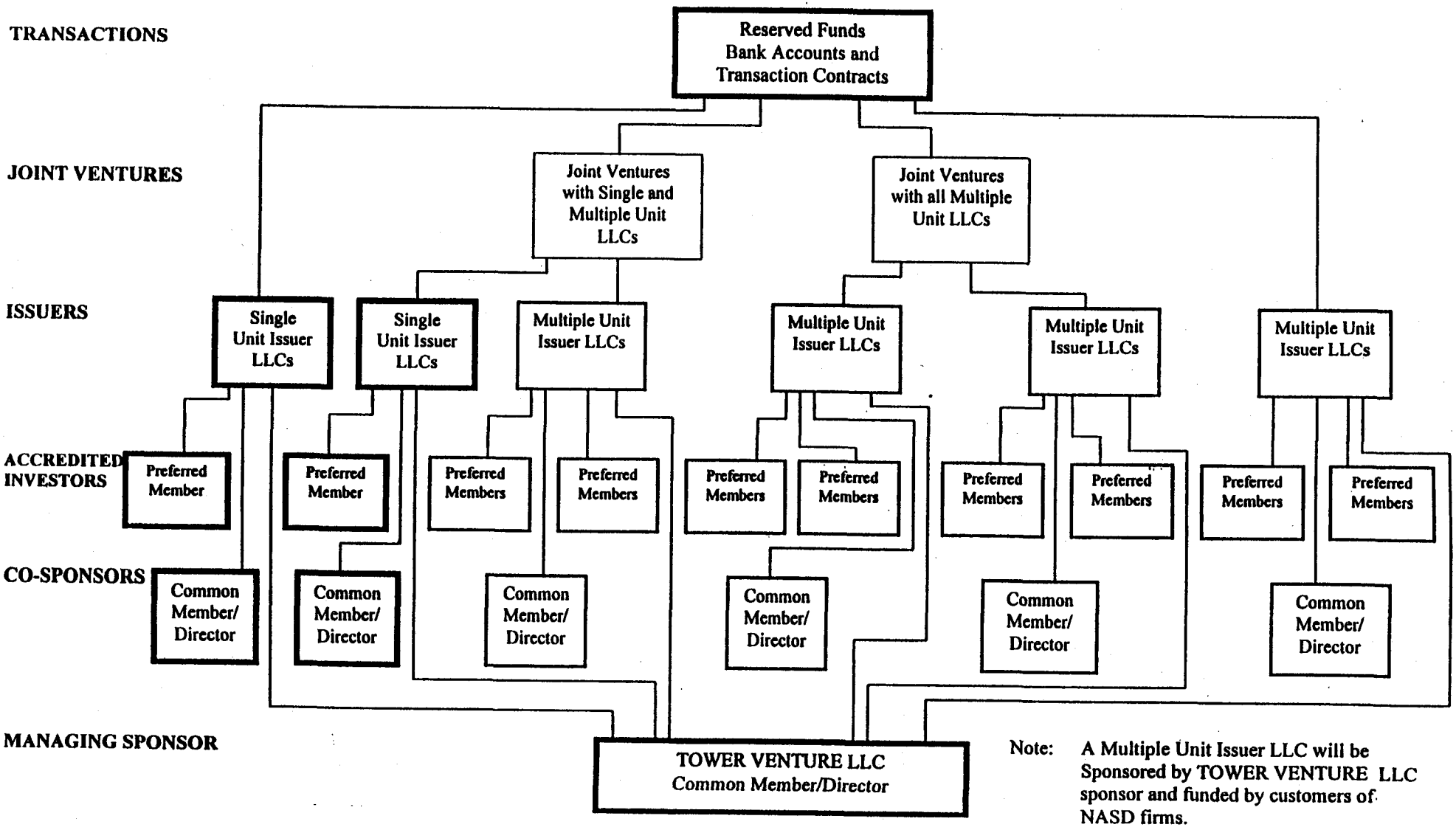
EXHIBIT J

CHART OF ORGANIZATIONAL RELATIONS



Note: A Multiple Unit Issuer LLC will be Sponsored by TOWER VENTURE LLC sponsor and funded by customers of NASD firms.

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PRIVATE PLACEMENT MEMORANDUM
FOR ACCREDITED INVESTORS

Wellington LLC, An Ohio Limited Liability Company ("Company")

Offering Consisting of
Units of Preferred Ownership Interest with Preferred Membership ("Units") In the Company
$50,000,000
Offered From August 15, 1998 through October 15,1998
(May be extended to December 15, 1998. See Period of Offering)
Co-Sponsors: Tower Venture LLC, an Ohio Limited Liability Company. ("Tower Venture")
and Wellington Industries LLC

Wellington LLC period ending October 15, 1998 has been extended from October 15, 1998 to December 15, 1998

	Price to Investor (1)	Underwriting Commission (2)	Net Proceeds For Investing
Minimum Per Investor	$ 1,000,000	None	$ 1,000,000
Minimum Of Offering	$ 1,000,000	None	$ 1,000,000
Maximum Of Offering	$ 50,000,000	None	$ 50,000,000

(1) The amount of a Unit shall be $1,000. A minimum of One Thousand Units per Investor is required. No fractional Units will be permitted.

(2) No commissions or other compensation for selling Units are available.

THIS OFFERING IS AVAILABLE ONLY TO "ACCREDITED INVESTORS." THE INVESTOR MUST BE AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE INVESTOR SHOULD CONSULT IT'S OWN LEGAL COUNSEL, ACCOUNTANT AND/OR OTHER PROFESSIONAL ADVISORS AS TO LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THIS OFFERING. (See Suitability and Advisors)

THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES AGENCY HAS PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE PURCHASE OF THIS INVESTMENT SHALL NOT BE THE RESULT OF ANY OFFER OR SOLICITATION OF AN EXEMPT SECURITY, OR EXEMPT TRANSACTION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON OTHER THAN THE SPONSORS AND THE UNDERWRITER HAVE BEEN AUTHORIZED TO GIVE ANY INFORMATION (OTHER THAN THAT CONTAINED IN OTHER DOCUMENTS REFERRED TO HEREIN) OR TO MAKE ANY REPRESENTATIONS CONCERNING THIS OFFERING OTHER THAN THOSE CONTAINED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

EXHIBIT
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Adm.

Ex 4

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proceeds while on deposit in the Escrow Account (net of bank escrow fees) in addition to the amount which the Investor is entitled by Unit ownership in a Transaction.

A Transaction may be undertaken solely by the Company and not by any individual Investor or in partnership with any Investor. The Company may enter into a joint venture with other companies managed by Tower Venture LLC ("Joint Venture") to undertake a Transaction on a pro rata basis as a member of said Joint Venture. The Joint Venture would be managed by Tower Venture LLC. At any time after the investment proceeds ("Funds") accumulated and held in the escrow account amount to Ten Million Dollars ($10,000,000) or more, the Company may initiate the Transaction and break escrow. With the initiation of the Transaction, the Funds will be transferred to and deposited in an interest bearing account ("Reserved Funds Account") in the name of the Company or in the name of a Joint Venture in a money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture may determine.

The Funds will remain on deposit in the Reserved Funds Account for purposes of the Transaction for a period not to exceed sixty (60) days. At no time will the Reserved Funds Account or the Funds therein be subject to any lien, claim, security interest, or hypothecation whatsoever. During said sixty (60) day period, said Funds will be placed on hold for a period of twenty (20) international banking days ("Reserved Period") pursuant to a contract entered into by the Company or a Joint Venture with a trading company sponsored by a European money center bank which will service the Transaction ("Transaction Bank"). Such hold or reserved status of Funds is similar to the "blocking" of funds in that the Funds cannot be removed, transferred, withdrawn or hypothecated during the Reserved Period. However, unlike blocking, there is no underlying claim on said funds.

The Transaction takes place during the Reserved Period (see Summary of Transaction). Funds and all proceeds derived by the Company from the Transaction (including its pro rata share from any Joint Venture) will be utilized to first pay their Maximum Return. Such Maximum Return will be paid to the Investor within five international banking days after the end of the Reserved Period. Upon said payment to Investor, Investor's Units will be automatically redeemed and cancelled and Investor's Preferred Membership in the Company will be automatically terminated. No payment will be made by any Joint Venture or the Company to Common Members of the Company, to others, or for any costs whatsoever, in the respective Transaction until Investors have been paid their Maximum Return.

On a "best efforts" basis, the Company expects, but is unable to assure, that the Transaction will provide a substantial amount of profit. The actual amount of profit will remain uncertain and unknown until just prior to the execution of the Transaction contract; however, the profit is expected to be substantially greater than the amount required to achieve the Maximum Return for an Investor. All profit received by the Company will be allocated to the Investors (Preferred Members) until depleted or the Investors have received their Maximum Return. The remaining profit, if any, will be allocated to payment of Company costs and then to the Co-Sponsors (Common Members). Once an Investor has received his Maximum Return for a particular Transaction, his Units will be redeemed, his preferred membership in the Company represented by said Units will be terminated, and he will have no further claim to any profit or cash of the Company. Any consideration by an Investor to reinvest must be directed by the Co-Sponsors to a separate Transaction under the Offering.

USE OF PROCEEDS

The entire proceeds from the Investor will deposited into the Reserve Funds Account as part of the proposed transaction contemplated in this offering. See The Offering and Transaction Summary).

	Amount (000's Omitted)	
	Minimum	Maximum
USE OF INVESTMENT PROCEEDS – Deposited into Reserved Funds Account	$ 10,000	$ 50,000

MANAGEMENT

Management of the Company shall be exercised by Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and a Co-Sponsor of this offering. As Managing Member of the Company, Tower Venture LLC will execute policy set by the directors of the Company and pay the costs and liabilities of operating the Company. As manager, Tower Venture LLC will be responsible on behalf of the Company for the Company's compliance with all applicable federal and state statutes and regulations relating to the Company's formation, operation, and business. The duties and responsibilities of Tower Venture LLC as manager of the Company are set out in the Company's Operating Agreement, Exhibit I hereto. The Company's board of directors consists of all Common Members of the Company. (See Co-Sponsors/Directors).

Tower Venture LLC is managed and controlled by five directors: Philip A. Lehman, John L. Runft, Rick D. Shirrell, Steve C. Swanson, and James R. "Jack" Stites. All decisions made and all action taken by Tower Venture LLC must be upon unanimous vote of the above named directors, except that the vote of a single director can cause dissolution of Tower Venture LLC. Whereas the affairs of Tower Venture LLC will be managed by said five directors, certain of the directors shall have various, specific responsibilities related to such management. Philip A. Lehman serves as chairman of the board of directors and as President of Tower Venture LLC. John L. Runft serves as Secretary of Tower Venture LLC and as legal advisor. Independent of the offices of President and Secretary, all directors have been and will be assigned specific tasks regarding the management and operation of Tower Venture LLC.

The ownership of Tower Venture LLC resides in the five entities listed below:

1. S & P Business Trust, an Ohio business trust,
   managed by Philip A. Lehman and Sara A. Merrick;

2. Karlinmar Holding LLC, an Idaho limited liability company,
   owned by Runft family entities and,
   an Ohio business trust managed by John L. Runft;

1981); Member, President's Partners, Albertson College of Idaho (1982-1990; and several other civic organizations.

Mr. Runft has a B.A. degree in Political Science from Albertson College of Idaho in 1962 in Caldwell, Idaho and a J.D. degree from the University of Chicago Law School in 1965. While at the University of Chicago Law School, he was the recipient of a National Honor Scholarship and he earned the Jackson Prize in Constitutional law.

RICK D. SHIRRELL, age 41, is the founder and principal of Financial Consulting Group, a consulting services firm. He established his firm during 1990 to engage in providing financial and technical services to major corporations, smaller companies and individuals. He is currently a Director and Consultant for various organizations in finance and technology.

From 1984 to 1990, prior to establishing his own firm, Mr. Shirrell was a Senior Vice President of Landmark Bankshares Corporation, a multi-billion dollar regional bank holding company with headquarters in St. Louis. He was a member of the Executive Management Committee and his responsibilities included operations, systems, acquisitions, merger and corporate special projects. For a subsidiary, Landmark Services Corporation, he was Executive Vice President, Chief Operations Officer and Director responsible for all corporate functions and services of centralized operations, information technology, document processing, affiliate bank profitability, productivity, and bank acquisitions and mergers. From 1981 to 1984, Mr. Shirrell was a Senior Consultant for KPMG Peat Marwick in St. Louis. He is also a Director of Tower Venture LLC.

Mr. Shirrell has authored many articles on the topics of financial institution profitability, business strategies and financial industry trends. He is a member of the American Bankers Association, Financial Managers Society, and Southeast Missouri State University Alumni Board. He received a B.S. degree in Business Administration in 1979 from Southeast Missouri State University. In addition, he has completed graduate work at the School of Business of Washington University in St. Louis.

STEVE C. SWANSON, age 60, is the sole stockholder and President of Swanson & Co., Inc., an investment services firm. He is the Registered Principal and Registered Representative of the firm, which is a member of the National Association of Securities Dealer, Inc. (NASD). He is a major shareholder, Director and Officer of several small companies mostly in the real estate industry. He is also a Director of Tower Venture LLC.

Mr. Swanson established the company along with Swanson Investments, a sole proprietorship, during 1978 to engage in the field of investments and investment services. He is a sponsor/general partner in several private placement syndications. One of them was underwritten by Boettcher & Company, a regional investment banking firm with headquarters in Denver, Colorado. The others were underwritten by Swanson & Co., Inc. In addition, Mr. Swanson has provided financial and investment advisory and management services to many privately owned companies.

Prior to 1978, Mr. Swanson had an extensive, diversified, seventeen year financial services background which included eleven years in the practice of public accounting with local firms, international firms and as a sole practitioner. In 1971, he was a manager in the Boise/San Francisco office of Coopers & Lybrand (now PricewaterhouseCoopers). During the remaining

respective investments plus one hundred percent (100%) profit before any Funds or proceeds generated by the Transaction may distributed to the Common Members or applied to the Company's costs or debts. The Units are redeemed and the preferred membership is terminated upon payment to the Investor within five (5) international banking days after the Reserved Period. The accounting records of the Transaction shall be open to those Preferred Members (Investors) who provided investment proceeds utilized in the Transaction at any time, up to five (5) years after termination of said preferred membership.

(b) Common Membership. Common Membership is issued and limited only to the Co-Sponsors, Tower Venture LLC, an Ohio limited liability company, and Wellington Industries LLC, a Nevada limited liability company. Tower Venture LLC is the Manager of the Company, subject to the board of directors, and will bear the costs of operating the Company. As the common members, Tower Venture LLC and Wellington Industries LLC will be entitled to all Funds and/or proceeds generated by the Transaction after payment of the preferred members' priority interest, costs of operation, and other obligations of the Company.

3. Offering. This Offering to Investors is for the purchase of Units of preferred ownership interest with Preferred Membership in the Company for the price of One Thousand Dollars ($1,000) per Unit. This Offering is an exempt offering pursuant to Rule 506 under SEC Regulation D. A Form D will be filed with the SEC for the offering. This Offering is available only to "Accredited Investors" as defined pursuant to Rule 501 under SEC Regulation D. (See Offering)

4. Co-Sponsors. Tower Venture LLC, an Ohio limited liability company and Wellington Industries LLC, a Nevada limited liability company, are the Co-Sponsors of the Company and of the offering. (See Co-Sponsors).

5. Offeror. The Company is the Offeror of this private placement for Accredited Investors. (See Offering).

6. Issuer. The Company is the Issuer of this Offering.

7. Management. Tower Venture LLC is the Managing Member of the Company subject to policy direction by the Board of Directors. (See Management).

8. Underwriter. Tower Equities, Inc., 8141 N. Main Street, Dayton, Ohio 45415 is the Underwriter for this Offering. Tower Equities, Inc. is registered with the SEC and is a member of the National Association of Securities Dealers ("NASD") and is a registered investment advisor. (See Underwriter).

9. Joint Venture. The Company may form a Joint Venture with other companies managed by Tower Venture LLC in order to undertake a Transaction in the name of the Joint Venture so as to accrue the transactional advantages of the aggregation of the combined assets of member venturers. A chart depicting the potential organizational relationships involved in such Joint Ventures is attached as Exhibit J.

RISK FACTORS

The Investors, as Accredited Investors, are expected to consider, independent from this offering document, the risks associated with investing in a unique investment such as provided by this offering.

There are various kinds and degrees of risk associated with investing in this offering. One of the significant risks is the alternative use of money while the investment is in the Escrow account and the Reserved Funds Account and the possibility that the investment will be returned with no profit other than minimal Escrow account interest. The Company believes that there is minimal risk associated with preserving the investment while in the Reserved Funds Account. Those with the authority to execute the Transaction documents have been specifically instructed to not put the Funds (Reserved Funds Account) at risk.

There are, however, certain risks to the Investor involved in entering into a Transaction that:

- is outside of the United States.
  The Company believes that the Reserved Funds Account has minimal risk but any profit that is expected to result from the transaction has greater risk of not being realized by the Company. The Reserved Funds Account will be in the United States or, if appropriate for the Company, in Europe. The Transaction will occur in Europe.
- involves certain non-disclosed information.
  These Transactions are private transactions which involve confidential agency and other agreements, the terms of which the parties are typically reluctant to discuss publicly.
- involves certain agreements to be entered into after the offering period.
  The proposed Transaction contract will be presented to the Company only after the Reserved Funds Account has been established.
- involves an area of investing in which the terms and conditions are constantly changing.
  These Transactions are subject to rapidly changing economic conditions and the pressures of supply and demand of financial instruments and the investment capital.
- is dependent on the integrity, competence and judgment of the Co-Sponsors.
  The documents will be received and reviewed by the Managing Director of the Company and the final documents executed by Mr. Lehman as CEO and Mr. Runft as Secretary and Company transactional attorney. The Managing Director represents that the Company will comply with terms of this Offering.
- is dependent on individuals with limited direct experience with these kind of transactions and the third parties to the Transactions.
  The Members of the Managing Director, while very experienced businessmen and professionals, have limited experience relating to the type of transaction and the third parties to the expected Transaction.
- is affected by certain income tax issues as outlined in Tax Aspects.
  Any income will be taxable as ordinary income to U.S. income tax paying entities. Any loss will not be, for the most part, deductible except as an offset to either capital gains or passive income, depending on the tax treatment allowed pursuant to the Internal Revenue Code.

Any and all other significantly relevant, non-confidential information not included herein, will be made available by the Managing member, Tower Venture LLC, to all Investors at the proper time for making an adequate evaluation prior to investing. (See Suitability and Advisors).

UNDERWRITER

The Company has entered into an underwriting agreement with Tower Equities, Inc. (the Underwriter). This agreement is attached to the Offering as Exhibit B.

The Company has employed the Underwriter as its agent to sell, on a "best efforts" basis, Units as outlined on the cover page of this Offering. The Underwriter will receive no compensation. However, if the Managing Member of this Offering successfully completes a Transaction through this or other offerings, the Underwriter will be reimbursed for certain specified expenses incurred in this Offering.

Although the Underwriter will receive no compensation if it sells this Offering, an affiliated entity of the Underwriter will receive a substantial profit. Philip A. Lehman, the principal shareholder of the Underwriter, has indicated that he believes the Underwriter will directly or indirectly receive appropriate benefits upon the successful completion of a Transaction through this or other offerings. See Management and Conflicts of Interest.

The Underwriter, an Ohio corporation, is a member firm of the National Association of Securities Dealers, Inc. (NASD) and an Investment Adviser registered with the SEC. The Underwriter has approximately one hundred (100) licensed securities sales representatives located in thirty (30) states.

CO-SPONSORS/DIRECTORS

The Co-Sponsors of this Offering are two limited liability companies which are the Common Members and Directors of the Company.

One of the Co-Sponsors is Tower Venture LLC, an Ohio limited liability company, which is also the Managing Member of the Company. It was formed without capital as a service company for providing investment opportunities to investors similar to the investment opportunity presented in this offering. (See Management).

The other Co-Sponsor is Wellington Industries LLC, a Nevada limited liability company. It was formed without capital as a service company for providing certain expertise and management assistance services to the Company. Wellington Industries LLC will be responsible for providing investment, business, financial and insurance advice, contracts, and expertise to the Company and to assist Management in these and related areas.

Wellington Industries LLC is owned, managed and controlled by Dennis D. Manthe and Jonathan E. Manthe, managing director(s):

Dennis D. Manthe, age 57, is currently functioning as a business advisor to several companies. Prior to entering his consulting practice, Mr. Manthe has served as a founder, stockholder, board member, president or in a senior management capacity for several corporations. In these various capacities, he participated in or had bottom line responsibility in all areas of business including; finance, accounting administration, personnel recruiting, product

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EXHIBIT A

DESCRIPTION OF TRANSACTION

A Reserved Funds Transaction ("Transaction") can take place only when the Reserved Funds Account contains investment proceeds on deposit in the sum of at least Ten Million Dollars ($10,000,000). Depending upon the number of Investors and as set forth in the Operating Agreement, the Managing Member of the Company may elect not to participate in a Transaction until the escrow account contains a specified sum in excess of One Million Dollars ($1,000,000) in order to compensate for any unanticipated withdrawal of investment proceeds by an Investor seeking a refund. When the investment proceeds in escrow reach the agreed level, the Managing Member of the Company will instruct the Underwriter to give the respective financial management company notice and proof that the requisite funds are on deposit ready to proceed with the Transaction. Such notice and proof of funds may be given by a Joint Venture of which the Company is a member. This notice and proof of funds will be accompanied by the Company's, or respectively the Joint Venture's, application to undertake the Transaction and the resolution of the Company or the Joint Venture authorizing the Transaction and other documents required by the financial management company. Upon approval of the application, the financial management company will instruct the Company or the Joint Venture, as the case maybe, to establish an interest bearing account ("Reserved Funds Account) in the name of the Company or the Joint Venture in a designated money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture and the financial management company may determine. Upon the selection of the designated Reserved Funds Bank, the financial management company will make arrangements for the Company or the Joint Venture to establish the Reserved Funds Account at that bank.

Immediately upon the establishment of the Reserved Funds Account, the Company will break escrow and transfer the investment proceeds from the escrow account to the Reserved Funds Account. Upon receipt of confirmation of the deposit of the investment proceeds in the Reserved Funds Account, the financial management company will cause a draft of the Transaction contract to be sent Tower Venture LLC as the Managing Member of the Company or of the Joint Venture for review and approval.

The Transaction commences with the execution of the Transaction contract in Europe between the Managing Member on behalf of the Company or the Joint Venture, as the case may be, and a designated trading company authorized and sponsored by a money center bank ("Transaction Bank"). The fee arrangement between the Company and the financial management company will be incorporated into the Transaction contract. The execution of the Transaction contract takes place in the Transaction Bank between the Company or the Joint Venture represented by the Managing Member and the trading company in the presence of an officer of the Transaction Bank and possibly a representative of the financial management company. The trading company's sponsorship and authorization by the Transaction Bank will be confirmed and authenticated at the time of the execution of the Transaction contract. The Transaction provides that the Funds in the Reserved Funds Account shall be reserved (placed on hold) for a period of twenty (20) international banking days. The provisions of the Transaction contract whereby the Company or the Joint Venture agrees to the placing of the Funds on reserve status, or hold, will not create or cause to be created any security interest in, liens or claims against, or any other hypothecation of the Funds in the Reserved Funds Account. The effect of the reserved status (hold) on said Funds shall be that during said twenty (20) day period, said

EXHIBIT B

UNDERWRITING AGREEMENT

THIS Underwriting Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and between Wellington LLC, an Ohio limited liability company (the "Company") and Tower Equities, Inc., an Ohio corporation (the "Underwriter").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15,1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum (Private Placement Memorandum for Accredited Investors) is attached hereto as Exhibit A.

C. The Company desires to retain the services of the Underwriter on an exclusive basis in the Offering for the purposes of supervising and controlling the solicitation and qualification of the Investors for the sale of Units, collection and deposit of sales proceeds into escrow and related underwriting functions.

D. The Underwriter is a member of the National Association of Securities Dealers, Inc. (NASD) and an SEC registered investment advisor. For consideration, the Underwriter is willing to provide underwriting services to the Company, including but not limited to, the supervision and control of the sale of Units, the solicitation and qualification of the Investors for the sale of Units, the execution of the subscription agreements, and the receipt and deposit of sales proceeds into escrow relative to the Offering.

NOW, THEREFORE, in consideration of the foregoing recitals and of the terms, conditions and covenants contained herein, the parties hereto agree as follows:

1. The Company hereby retains the Underwriter on an exclusive basis for the Offering to provide the hereinafter described underwriting services with respect to the Offering, and the Underwriter for the consideration hereinafter set forth agrees to provide said limited underwriting services.

2. The services to be provided by the Underwriter shall be exclusively for, and related to, the Offering and shall be comprised of the following services, including such services as are reasonably deemed necessary to accomplish said services:

(a) The Underwriter shall be the exclusive provider of the herein described underwriting services, however it is understood that Underwriter at its

THE COMPANY: Wellington LLC
8141 N. Main Street
Dayton, OH 45415
Attention: Philip A. Lehman

THE UNDERWRITER: Tower Equities, Inc.
8141 N. Main Street
Dayton, OH 45415
Attention: Philip A. Lehman

6. General Provisions.

A. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.

B. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.

C. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

D. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.

E. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.

F. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.

G. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.

H. Execution of Multiple Originals: Two original counterparts of this agreement shall be executed by these parties.

I. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

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EXHIBIT C

ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and among Wellington LLC, an Ohio limited liability company (the "Company"); Tower Venture LLC, an Ohio limited liability company as the Managing Member of the Company ("Managing Member"); Tower Equities, Inc., an Ohio corporation (the "Underwriter"), and Star Bank N.A., Troy, Ohio (the "Bank").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15, 1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum is attached hereto as Exhibit A.

C. Management of the Company is vested in Tower Venture LLC, which is the managing common member of the Company. All documents of the Company are signed on its behalf by Tower Venture LLC as the managing member, through its president, Philip A. Lehman.

D. The Units offered by the Company are sold through the Underwriter, Tower Equities, Inc. The Underwriter supervises and controls the solicitation and qualification of the Investors, execution of the subscription agreement, receipt and deposit of sales proceeds into escrow and performs other related underwriting functions. The Company and the Underwriter have entered into an Underwriting Agreement, a copy of which is attached hereto as Exhibit B.

E. In accordance with the requirements of the Offering, the Managing Member has determined that the Company will not commence operations unless and until subscriptions for the aggregate minimum of ten Units have been received and accepted by the Underwriter on behalf of the Company from subscribing Investors and the proceeds from said sales have been deposited in the escrow account with the Bank for an aggregate minimum of at least One Million Dollars ($1,000,000).

F. The Bank is willing to establish in the name of the Company a segregated interest bearing account for the escrow of Unit sales proceeds (the "Escrow Account") and to act as escrow agent for said escrowed funds in accordance with the terms of this Agreement.

G. In accordance with the terms of the Offering, the Company through the Managing Member has determined that Unit sales proceeds shall be held in the Escrow Account until the aggregate of said proceeds equals or exceeds the sum of One Million Dollars ($1,000,000) at which time the escrow may be broken and the proceeds thereof utilized by the Company for the purposes of the Offering. Such One Million Dollar aggregations of Unit sales proceeds may be repeated until the maximum of the Offering has been attained.

subscribing investors must be provided to the bank in conjunction with the request to disburse the net escrow proceeds. This procedure may be repeated for each such Ten Million Dollar aggregation of such proceeds in the Escrow Account until the aggregated maximum amount of the Offering has been reached.

7. If at any time during the term of the Offering a subscribing Investor makes written demand upon the Company or the Underwriter for the return of said Investor's investment, an amount equal to said Investor's respective investment plus his pro rata share of investment interest earned in the Escrow Account net his pro rata share of escrow fees to date shall be returned to him upon written notice thereof given to the Bank by the Managing Member on behalf of the Company and by the Underwriter. Upon receipt of such notice, the Bank shall distribute said net amount to said Investor at the Investor's address provided by the Managing Member or the Underwriter in the form of a bank cashier's check payable to said Investor.

8. If at the expiration of the term of the Offering (and any extensions thereof) the collected sales proceeds from the subscriptions of at least One Thousand (1,000) Units ($1,000,000) are not on deposit in the Escrow Account, the Company through the Managing Member and the Underwriter shall so notify the Bank in writing. Said notice to the Bank shall include the name and mailing address of each subscribing Investor for the purpose of the return of the escrowed funds. Upon receipt of said notice, the Bank shall as soon as possible thereafter cause cash payments to be distributed to each subscribing Investor at said mailing address provided by the Company or the Underwriter. Said cash payments to the subscribing Investors shall be the amount of the Investor's respective investment plus Investor's pro rata share of the investment interest earned by the Escrow Account, net his pro rata of escrow fees. Such distribution to the subscribing Investor shall be in the form of a bank cashier's check payable to said Investor.

9. The Bank may rely and shall be protected in acting upon any written or verbal notice, instruction or request to the Bank hereunder and believed by it to be genuine and believed by it to have been signed or made by the appropriate party pursuant to this Agreement.

10. The Bank shall not be liable for any action taken or not taken by it in good faith and believed by it to be authorized or within the rights of powers conferred upon it by this Agreement. With regard to any such action or omission, the Bank may consult with counsel of its own choice. Any action taken or suffered by the Bank hereunder in good faith shall be deemed to have been authorized by the Company and its Managing Member and by the Underwriter. The Bank is not bound by the terms of any other agreements between the parties, despite knowledge thereof, including the agreements attached hereto as Exhibits A and B.

11. The Bank may resign and be discharged from its duties hereunder by giving fifteen (15) days written notice of such resignation specifying the date when its resignation shall take effect.

12. The Company hereby agrees to pay the Bank reasonable compensation for services to be rendered hereunder and will pay or reimburse the Bank upon request for all expenses, disbursements and advances, including reasonable attorney fees incurred or made by it in

THE BANK: Star Bank N.A.
910 W. Main Street
Troy, OH 45373
Attention: Thomas J. Kleptz, V.P. Trust Officer

17. General Provisions.

a. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.
b. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.
c. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.
d. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.
e. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.
f. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.
g. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.
h. Execution of Multiple Originals: Four original counterparts of this agreement shall be executed by these parties.
i. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

IN WITNESS WHEREOF, the parties hereto have executed and made effective this Agreement on the day and year first above written.

THE COMPANY: Wellington LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President
Of the Managing Member

MANAGING MEMBER: Tower Venture LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President

UNDERWRITER: Tower Equities, Inc.

By _____
Philip A. Lehman, Chairman

THE BANK: Star Bank N.A.

By _____
Thomas J. Kleptz, V.P. Trust Officer

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EXHIBIT D
to Private Placement Memorandum
for Accredited Investors

WELLINGTON LLC

Purchaser Questionnaire

Wellington LLC
8141 N. Main St.
Dayton, OH 45415

Attention: Philip A. Lehman

Re: Wellington LLC

Gentlemen:

The following information is furnished to you in order for you to determine whether the undersigned is qualified to purchase Units of Preferred Ownership With Preferred Membership (Units) in the above referenced company pursuant to sections 4 (2) of the Securities Act of 1933, as amended (the "Act"), Regulation D promulgated thereunder, and appropriate provisions of applicable state securities laws. I understand that you will rely upon the following information for purposes of such determination, and that the Units will not be registered under the Act in reliance upon the exemption from registration provided by sections 4 (2) of the Act, Regulation D, and appropriate provisions of applicable state securities laws.

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. However, I agree that you may present this questionnaire to such parties as you deem appropriate if called upon to establish that the proposed offer and sale of the units is exempt from registration under the Act or meets the requirements of applicable state securities laws.

ereby provide you with the following representations and information:

1. Name: _____

2. Residence Address & Telephone No: _____

3. Mailing Address: _____

4. Employer & Position: _____

5. Business Address & Telephone No: _____

6. Business or Professional Education & Degree: _____

7. Prior Employment (5 Years):

Employer	Nature of Duties	Dates of Employment

8. Prior Investments of Purchaser:

		Amount (Cumulative)	
Capital Stock	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000 _____	$1,000,000_____
Bonds	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000_____	$1,000,000_____
Other	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000_____	$1,000,000_____

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10. Financial Information:

(a) I represent that my individual net worth (exclusive of home, home furnishings and personal automobiles) is in excess of $_____

(b) I represent that my individual net worth including home, home furnishings and personal automobiles is in excess of $_____

(c) I represent that my individual joint gross income was in excess of:

1996		$_____
1997		$_____
1998 (estimate)		$_____

(d) I have such knowledge and experience in financial; tax and business matters that I am capable of utilizing the information made available to me in connection with the offering of the Notes to evaluate the merits and risks of an investment in the Notes, and to make an informed investment decision with respect to the Notes. I do not desire to utilize a Purchaser Representative in connection with evaluating such merits and risks. I understand, however, that the Company may request that I use a Purchaser Representative.

Please Initial Here _____

11. Except as indicated below, any purchases of the units will be solely for my account, and not for the account of any other person or with a view to any resale or distribution thereof.

I represent to you that the information contained herein is complete and accurate and may be relied upon by you. I understand that a false representation may constitute a violation of law, and that any person who suffers damage as a result of a false representation may have a claim against me for damages. I will notify you immediately of any material change in any of such information occurring prior to the closing of the purchase of units, if any, by me.

_____
Name (Please Print)

_____
Signature

Executed at _____
(City) (State)

on this _____day of _____, 19___

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Exhibit D, p. 3

EXHIBIT E

SUBSCRIPTION AGREEMENT
FOR UNITS OF WELLINGTON LLC
AN OHIO LIMITED LIABILITY COMPANY

The undersigned hereby agrees to purchase ____ units of Preferred Ownership Interest With Preferred Membership ("Units") in Wellington LLC, an Ohio limited liability company (the "Company"), at the price of $_____per Unit for an aggregate subscription of $_____ . The undersigned agrees that concurrently with signing this Subscription Agreement, he will pay the purchase price for all Units so subscribed by check for the purchase price to be held in escrow by Tower Venture LLC, (the "Managing Member") until subscriptions have been accepted for Units providing sufficient funds to commence Company operations, or if subscription occurs after such time, until _____ or any earlier release of funds to the company pursuant to the Company's Operating Agreement.

The undersigned hereby represents and warrants to the Managing Member, the Company and other investors that:

(a) I have read and understand the Private Placement Memorandum dated August 15, 1998, pursuant to which the Units are offered, the Certificate of ownership, Articles of Organization of the Company, the Operating Agreement of the Company, and the Certification of Adoption and Ratification of the Operating Agreement prior to my execution of this Subscription Agreement;

(b) I recognize the speculative nature of this investment;

(c) Disregarding my investment in the Company, I am one of the following: (1) Any bank, savings and loan association, broker or dealer, insurance company, investment company, business development company, Small Business Investment Company, and some employee benefit plans. (2) Any private business development company. (3) Any organization, corporation, business trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5 million. (4) Any director, executive officer or general partner of the issuer or of a general partner of the issuer. (5) Any person whose individual net worth, or joint net worth with spouse, at time of purchase exceeds $1 million. (6) Any person who had an annual individual income in excess of $200,000 in the past two years or annual joint income with spouse in excess of $300,000 in those years and has a reasonable expectation of reaching the same income level in the current year. (7) Any trust, with total assets in excess of $5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person. (8) Any entity in which all of the equity owners are accredited investors.

(d) I have reviewed the documents and information relating to the transaction and have substantial experience in investments and business matters and recognize the merits, disadvantages and risks of an investment in this nature, and/or business, tax and/or legal advisors have reviewed the documents and information relating to this transaction and they have advised me as to the merits, disadvantages and risks of this offering.

(e) I acknowledge that the Units to be sold in this offering have not been registered under the Securities Act of 1933 in reliance upon the exemption provided by Section 4 (2) of said Act.

(f) I understand that certain precautions are necessary to ensure that no Units are resold in violation of Section 4 (2) and that the Managing Member will make the necessary notations in the records of the Company to prevent the transfer of any Units in violation of the above restrictions;

(g) I understand that (i) the Units are unregistered securities and can be resold by a purchaser only if he registers the Units under the Securities Act of 1933 or obtains an opinion of counsel satisfactory to the Managing Member that registration is not required , and (ii) this restriction on transfer is in addition to the restrictions in Section 4 (2) stated above.

(h) I am acquiring the Units that I have committed to purchase for my own account as principal for investment purposes only and without a view to the resale, transfer or distribution thereof, and I will not offer to sell or

EXHIBIT F

MEMBER CERTIFICATION OF ADOPTION AND
RATIFICATION OF OPERATING AGREEMENT

THE UNDERSIGNED, being Members of Wellington LLC, An Ohio Limited Liability Company, (the "Company") evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by Members on the date indicated.

COMMON MEMBERSHIP:

Tower Venture LLC, an Ohio Limited Liability Company

By _____
Philip A. Lehman, Managing Director

Date: _____

Wellington Industries LLC, a Nevada Limited Liability Company

By _____
Dennis D. Manthe, Managing Director

Date: _____

REFERRED MEMBERS:

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

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EXHIBIT G

CERTIFICATE NO. _____ _____ Preferred Units
(fully paid, redeemable)

CERTIFICATE OF OWNERSHIP

OF PREFERRED UNITS OF
WELLINGTON LLC

THIS CERTIFIES that _____ is the registered Owner of _____( ) Preferred Units of Ownership with membership in _____LLC an Ohio Limited Liability Company, having two classes of membership: Preferred and Common.

The Preferred Units represented by this certificate are not transferable, but are redeemable by the Owner or the Company. Redemption of Preferred Units shall be by the payment of money by the Company to the Owner as provided in the Operating Agreement of the Company. Upon redemption of any Preferred Units, the Preferred Membership in the Company represented by said redeemed Preferred Units shall be automatically terminated.

IN WITNESS WHEREOF, the Company has caused this CERTIFICATE to be issued and signed by The President of its duly authorized Managing Member, this _____ day of _____, 1998.

_____LLC

By _____
Philip A. Lehman, President of
Tower Venture LLC
Managing Member of Wellington LLC

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EXHIBIT H

ARTICLES OF ORGANIZATION

WELLINGTON LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

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EXHIBIT I

OPERATING AGREEMENT
OF

WELLINGTON LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

THE PREFERRED UNITS HEREIN DESCRIBED AND REPRESENTED AND ISSUED BY THIS LIMITED LIABILITY COMPANY (the "COMPANY") UNDER AND PURSUANT TO THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "1933 ACT") OR ANY APPLICABLE STATE SECURITIES LAWS AND ARE AVAILABLE FOR PURCHASE ONLY TO "ACCREDITED INVESTORS" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE 1933 ACT, AS AMENDED. SAID PREFERRED UNITS ARE BEING OFFERED TO INVESTORS BY THE COMPANY PURSUANT TO A PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS ("OFFERING MEMORANDUM") WHICH IS ATTACHED TO THIS OPERATING AGREEMENT AND BY THIS REFERENCE MADE A PART HEREOF. THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY HAVE PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE OFFERING. THE PREFERRED UNITS SOLD PURSUANT TO THE OFFERING HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT IN RELIANCE UPON THE EXEMPTION FROM REGISTRATION PROVIDED BY SECTION 4(2) OF THE ACT AND PURSUANT TO RULE 506 UNDER REGULATION D OF THE U.S. SECURITIES AND EXCHANGE COMMISSION.

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ARTICLE VIII NOTICE
8.1 Notice
8.2 Waiver of Notice

ARTICLE IX GENERAL PROVISIONS

9.1 Entire Agreement
9.2 Assignment
9.3 Execution of Other Documents
9.4 Binding Effect
9.5 No Waiver of Future Breach
9.6 Attorney's Fees
9.7 Governing Law
9.8 Execution of Multiple Originals
9.9 Severability

ARTICLE X. AMENDMENTS

10.0 Amendments

RATIFICATION AND EXECUTION

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(c) A copy of all written contracts and agreements, including copies of any prior agreements no longer in effect.

(d) A copy of all tax returns and financial statements for the last three years of operation.

(e) A record of contributions from and distributions to each Member by the Company as required under Ohio Revised Code Section 1705.28.

9. Amendment of Articles. These articles may be amended only by a majority in interest vote of each class of membership.

Dated this 15th day of August, 1998.

IN WITNESS WHEREOF the Undersigned Common Members have executed these Articles of Organization on the date above written:

Tower Venture LLC

By: _____
Philip A. Lehman, President of Tower Venture LLC

Wellington Industries LLC

By: _____
Dennis D. Manthe, Managing Director of Wellington Industries LLC

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2.3 Operating Agreement. This Operating Agreement as maintained in the records of the Company constitutes the total and complete Operating Agreement of the Company superceding and excluding all other agreements, memoranda, understandings except the Offering Memorandum, which is deemed to be part of this Operating Agreement.

ARTICLE III
MEMBERSHIP

3.1 Two Classes of Membership. There are two classes of membership in the Company:

(a) Common Membership
(b) Preferred Membership

3.2 Common Membership.

(a) The Company will issue one hundred (100) Units of Common ownership interest in the Company ("Common Units"). No certificates shall be issued for the common membership class or for Common Units. An owner of at least one (1) Common Unit is a member of the common membership class.

(b) The distribution of issued Common Units shall be set forth in this Operating Agreement and kept current by amendment, as the case may be. Accordingly, Common Units of the Company have been issued and distributed as follows:

Tower Venture LLC	96 Common Units
Wellington Industries LLC	4 Common Units
Total	100 Common Units

(c) Each Common Member shall be entitled to the number of votes equal to the number of Common Units owned by him in all matters where the common membership is entitled to vote.

(d) The Common Members shall constitute the Board of Directors of the Company, which shall direct and manage the affairs and business of the Company. (See Article IV Management).

(e) The Common Members shall be entitled to all funds and/or proceeds generated by any Transaction after payment of the Preferred Members priority interest, costs of operation and other obligations of the Company as set forth in the Offering Memorandum.

(f) Persons holding common membership may also hold preferred membership and any contribution to capital made by such persons shall be made as Preferred Members and certificates for Units of Preferred Ownership Interest will be awarded accordingly to such person as Preferred members.

3.3 Preferred Membership.

(a) Preferred Members shall consist of those persons who contribute to the capital of the Company (invest) for which they shall receive certificates for Units of Preferred Ownership Interest ("Preferred Units") which automatically vests them with Preferred Membership.

(b) Although Preferred Members do not participate in the direction and management of the affairs and business of the Company, the affirmative vote of a majority of the Preferred Units of the Preferred Membership and of the Common Membership must be obtained in order to amend the Articles of Organization, or this Operating

IV
MANAGEMENT

4.1 Board of Directors.

(a) The business and affairs of the Company shall be directed and managed by the Board of Directors composed of the Common Members of the Company. Each Common Member shall be a Director. Each Director shall have one (1) vote in all matters determined or acted upon by the Board of Directors, regardless of the number of Common Units owned by that Director as a Common Member. All references in the Offering or elsewhere to the vestment of the direction and management of the Company in the Common Members shall mean and be interpreted to mean the Common Members in their capacity as Directors of the Company acting as the Board of Directors of the Company.

(b) The Board of Directors shall appoint a Common Member of the Company to be the Managing Member of the Company. Said appointment shall be set forth and declared in this Operating Agreement.

4.2 Managing Member.

(a) The Board of Directors has appointed, and does hereby appoint, Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and Co-Sponsor of the Offering, to be the Managing Member of the Company. The Managing Member will be the Chief Executive Officer (CEO) of the Company responsible for the general overall supervision of the business and affairs of the Company subject to policy direction by the Board of Directors.

(b) When present, the Managing Member will preside at all meetings of the Board of Directors and meetings of Members. The Managing Member may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments which have been authorized by the Board of Directors or the appropriate class or classes of members to be executed, except in cases where the signing or execution is expressly authorized or delegated by the Board of Directors or by this Operating Agreement or by Statute to some other Officer or Agent of the Company; and, in general, Managing Member will perform all duties as may be prescribed by the Board of Directors from time to time.

(c) Since the Managing Member is an entity, the Chief Executive Officer of said Managing Member entity shall be the individual who acts on behalf of the Managing Member as CEO of the Company.

(d) The Managing Member will manage the day-to-day affairs and business of the Company and will execute direction and policy set by the Board of Directors of the Company. The Managing Member will be responsible on behalf of the Company for the Company's compliance with all federal and state statutes and regulations relating to the Company's formation, operation and business. Except for situations in which the approval of the Members is expressly required by the Articles of Organization or this Operating Agreement, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and assets of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business, subject to direction and the policies of the Board of Directors.

(e) The Managing Member shall have the authority to compromise any obligation of a Preferred Member to make a contribution for any reason whatsoever as the Managing Member deems to be in the best interests of the Company.

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subject to the priority interest of the Preferred Members in the assets and income of the Company.

(b) Notwithstanding any other provision of this Operating Agreement or of the Offering Memorandum, no Director or Managing Member shall be liable to any Member of the Company with respect to any act performed or neglected to be performed in good faith and in a manner which such Director or Managing Member believed to be necessary or appropriate in connection with the ordinary and proper conduct of the Company's business or the preservation of its property, and consistent with the provisions of the Articles of Organization and this Operating Agreement.

(c) The Company shall indemnify the Directors and the Managing Member for and hold them harmless from any and all liability, whether civil or criminal, and any loss, damage or expense, including reasonable attorney's fees, incurred in connection with the ordinary and proper conduct of the Company's business and the preservation of its business and property; provided that the Director or Managing Member to be indemnified acted in good faith and in a manner such Director or Managing Member believed to be consistent with the provision of the Articles of Organization, this Operating Agreement and the Offering Memorandum; provided, further, that the funding of any such indemnification shall not in any way jeopardize or impact the funding of the Preferred Members' economic interests.

(d) The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Director, Officer, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding, if the Common Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgement, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, will not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(e) The Company will fund the indemnification obligations provided by this Section 4.6 in the manner and to the extent the Common Members may from time to time deem proper; provided, further, that such funding will not jeopardize the economic interests of the Preferred Members.

4.7 Confidential Information.

(a) Proprietary Information. Each Member of the Company hereby agrees that, for the term of this Agreement and for a period of three (3) years after the termination of this Agreement, the financial information relating to the Offering, including, but not limited to, information obtained from Preferred Members regarding their status as Accredited Investors, funds invested, the escrow account established pursuant to the Offering, and any and all Transactions engaged in by the

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5.4 Common Membership Interests. Common Members will be entitled to all Funds in the Reserved Funds Account and/or proceeds generated by each and every Transaction after payment in full of the Preferred Members' priority interests, costs of operation, and other obligations of the Company. All such distributions shall be made either by bank cashier's checks or by wire transfer to the accounts designated by the respective Common Members to the Managing Member.

VI
FISCAL MATTERS

6.1 Fiscal Year. The fiscal year of the Company will begin on the first day of January and end on the last day of December each year, unless otherwise determined by resolution of the Members.

6.2 Income Tax Matters. The Company shall elect to be taxed on income as a partnership and on a cash basis.

6.3 Deposits. All funds of the Company will be deposited from time to time to the credit of the Company in the banks, trust companies or other depositories as the Managing Member may select, subject to change by resolution of the Board of Directors.

6.4 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company will be signed by the Managing Member.

6.5 Contracts. The Managing Member shall have the authority to enter into contracts and execute instruments in the name of the Company in relation to transactions approved by the Common Members and in relation to operation of the Company.

6.6 Accountant. An Accountant may be selected from time to time by the Managing Member to perform such tax and accounting services as may be required from time to time. The accountant may be removed by the Managing Member without assigning any cause.

6.7 Legal Counsel. One or more Attorney(s) at Law may be selected from time to time by the Managing Member to review the legal affairs of the Company and to perform other services as may be required and to report to the Managing Member with respect to those services. The Legal Counsel may be removed by the Managing Member without assigning the cause.

ARTICLE VII
BOOKS AND RECORDS

7.1 Books and Records. The books and records of the Company must be kept at the principal office of the Company or at other places, within or without the State of Ohio, as the Managing Member or Members from time to time determine.

7.2 Right of Inspection. Any Member of record will have the right to examine and make copies, at any reasonable time or times for all purpose, the books and records of account, minutes and records of Members. The inspection may be made by any agent or attorney of the Member. On the written request of any Member, the Company must mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

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9.9 Severability In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

ARTICLE X
AMENDMENTS

10.0 Amendments. This Operating Agreement may be altered, amended, restated, or repealed and a new Operating Agreement may be adopted by the affirmative majority in interest vote of both classes of Membership, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

CERTIFICATION

THE UNDERSIGNED, being all of the Members of Wellington LLC, An Ohio Limited Liability Company, evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by each Member on the Date indicated.

COMMON MEMBERS:

Tower Venture LLC

By:_____
Philip A. Lehman, President

Date:_____

Wellington Industries LLC

By:_____
Dennis D. Manthe, Managing Director

Date: _____

Preferred Members:

_____

Date:_____

_____

Date:_____

_____

Date:_____

_____

Date:_____

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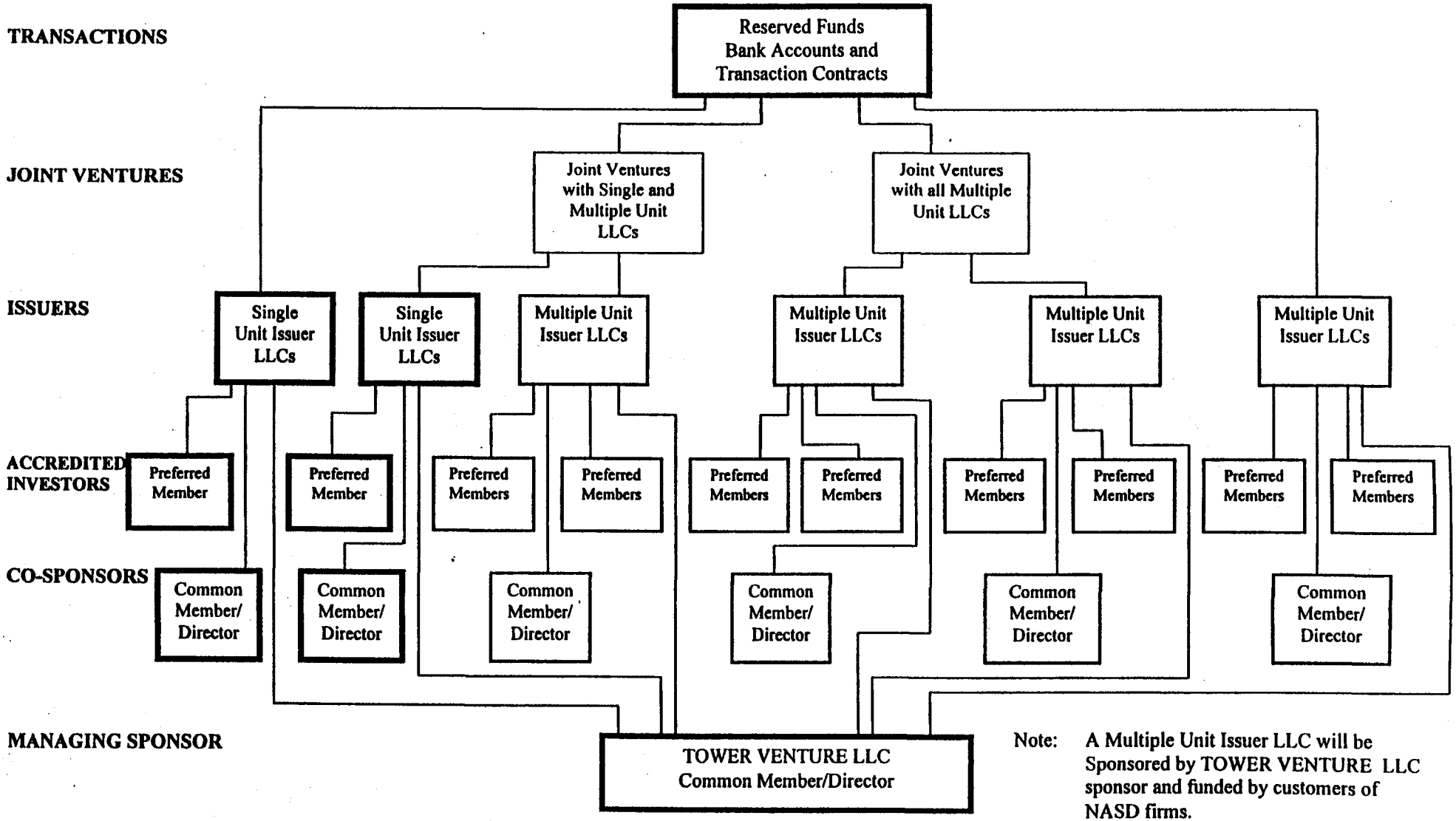
EXHIBIT J

CHART OF ORGANIZATIONAL RELATIONS



Note: A Multiple Unit Issuer LLC will be Sponsored by TOWER VENTURE LLC sponsor and funded by customers of NASD firms.

PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS

Baylor/Gavic LLC period ending October 15, 1998 has been extended from October 15, 1998 to December 15, 1998

Baylor/Gavic LLC, An Ohio Limited Liability Company ("Company")

Offering Consisting of
Units of Preferred Ownership Interest with Preferred Membership ("Units") In the Company
$50,000,000
Offered From August 15, 1998 through October 15,1998
(May be extended to December 15, 1998. See Period of Offering)
Co-Sponsors: Tower Venture LLC, an Ohio Limited Liability Company. ("Tower Venture")
and Baylor/Gavic Associates LLC

	Price to Investor (1)	Underwriting Commission (2)	Net Proceeds For Investing
Minimum Per Investor	$ 1,000,000	None	$ 1,000,000
Minimum Of Offering	$ 1,000,000	None	$ 1,000,000
Maximum Of Offering	$ 50,000,000	None	$ 50,000,000

(1) The amount of a Unit shall be $1,000. A minimum of One Thousand Units per Investor is required. No fractional Units will be permitted.

(2) No commissions or other compensation for selling Units are available.

THIS OFFERING IS AVAILABLE ONLY TO "ACCREDITED INVESTORS." THE INVESTOR MUST BE AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE INVESTOR SHOULD CONSULT IT'S OWN LEGAL COUNSEL, ACCOUNTANT AND/OR OTHER PROFESSIONAL ADVISORS AS TO LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THIS OFFERING. (See Suitability and Advisors)

THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES AGENCY HAS PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE PURCHASE OF THIS INVESTMENT SHALL NOT BE THE RESULT OF ANY OFFER OR SOLICITATION OF AN EXEMPT SECURITY, OR EXEMPT TRANSACTION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON OTHER THAN THE SPONSORS AND THE UNDERWRITER HAVE BEEN AUTHORIZED TO GIVE ANY INFORMATION (OTHER THAN THAT CONTAINED IN OTHER DOCUMENTS REFERRED TO HEREIN) OR TO MAKE ANY REPRESENTATIONS CONCERNING THIS OFFERING OTHER THAN THOSE CONTAINED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

EXHIBIT
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proceeds while on deposit in the Escrow Account (net of bank escrow fees) in addition to the amount which the Investor is entitled by Unit ownership in a Transaction.

A Transaction may be undertaken solely by the Company and not by any individual Investor or in partnership with any Investor. The Company may enter into a joint venture with other companies managed by Tower Venture LLC ("Joint Venture") to undertake a Transaction on a pro rata basis as a member of said Joint Venture. The Joint Venture would be managed by Tower Venture LLC. At any time after the investment proceeds ("Funds") accumulated and held in the escrow account amount to Ten Million Dollars ($10,000,000) or more, the Company may initiate the Transaction and break escrow. With the initiation of the Transaction, the Funds will be transferred to and deposited in an interest bearing account ("Reserved Funds Account") in the name of the Company or in the name of a Joint Venture in a money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture may determine.

The Funds will remain on deposit in the Reserved Funds Account for purposes of the Transaction for a period not to exceed sixty (60) days. At no time will the Reserved Funds Account or the Funds therein be subject to any lien, claim, security interest, or hypothecation whatsoever. During said sixty (60) day period, said Funds will be placed on hold for a period of twenty (20) international banking days ("Reserved Period") pursuant to a contract entered into by the Company or a Joint Venture with a trading company sponsored by a European money center bank which will service the Transaction ("Transaction Bank"). Such hold or reserved status of Funds is similar to the "blocking" of funds in that the Funds cannot be removed, transferred, withdrawn or hypothecated during the Reserved Period. However, unlike blocking, there is no underlying claim on said funds.

The Transaction takes place during the Reserved Period (see Summary of Transaction). Funds and all proceeds derived by the Company from the Transaction (including its pro rata share from any Joint Venture) will be utilized to first pay their Maximum Return. Such Maximum Return will be paid to the Investor within five international banking days after the end of the Reserved Period. Upon said payment to Investor, Investor's Units will be automatically redeemed and cancelled and Investor's Preferred Membership in the Company will be automatically terminated. No payment will be made by any Joint Venture or the Company to Common Members of the Company, to others, or for any costs whatsoever, in the respective Transaction until Investors have been paid their Maximum Return.

On a "best efforts" basis, the Company expects, but is unable to assure, that the Transaction will provide a substantial amount of profit. The actual amount of profit will remain uncertain and unknown until just prior to the execution of the Transaction contract; however, the profit is expected to be substantially greater than the amount required to achieve the Maximum Return for an Investor. All profit received by the Company will be allocated to the Investors (Preferred Members) until depleted or the Investors have received their Maximum Return. The remaining profit, if any, will be allocated to payment of Company costs and then to the Co-Sponsors (Common Members). Once an Investor has received his Maximum Return for a particular Transaction, his Units will be redeemed, his preferred membership in the Company represented by said Units will be terminated, and he will have no further claim to any profit or cash of the Company. Any consideration by an Investor to reinvest must be directed by the Co-Sponsors to a separate Transaction under the Offering.

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USE OF PROCEEDS

The entire proceeds from the Investor will deposited into the Reserve Funds Account as part of the proposed transaction contemplated in this offering. See The Offering and Transaction Summary).

	Amount (000's Omitted)	
	Minimum	Maximum
USE OF INVESTMENT PROCEEDS – Deposited into Reserved Funds Account	$ 10,000	$ 50,000

MANAGEMENT

Management of the Company shall be exercised by Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and a Co-Sponsor of this offering. As Managing Member of the Company, Tower Venture LLC will execute policy set by the directors of the Company and pay the costs and liabilities of operating the Company. As manager, Tower Venture LLC will be responsible on behalf of the Company for the Company's compliance with all applicable federal and state statutes and regulations relating to the Company's formation, operation, and business. The duties and responsibilities of Tower Venture LLC as manager of the Company are set out in the Company's Operating Agreement, Exhibit I hereto. The Company's board of directors consists of all Common Members of the Company. (See Co-Sponsors/Directors).

Tower Venture LLC is managed and controlled by five directors: Philip A. Lehman, John L. Runft, Rick D. Shirrell, Steve C. Swanson, and James R. "Jack" Stites. All decisions made and all action taken by Tower Venture LLC must be upon unanimous vote of the above named directors, except that the vote of a single director can cause dissolution of Tower Venture LLC. Whereas the affairs of Tower Venture LLC will be managed by said five directors, certain of the directors shall have various, specific responsibilities related to such management. Philip A. Lehman serves as chairman of the board of directors and as President of Tower Venture LLC. John L. Runft serves as Secretary of Tower Venture LLC and as legal advisor. Independent of the offices of President and Secretary, all directors have been and will be assigned specific tasks regarding the management and operation of Tower Venture LLC.

The ownership of Tower Venture LLC resides in the five entities listed below:

1. S & P Business Trust, an Ohio business trust,
   managed by Philip A. Lehman and Sara A. Merrick;

2. Karlinmar Holding LLC, an Idaho limited liability company,
   owned by Runft family entities and,
   an Ohio business trust managed by John L. Runft;

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1981); Member, President's Partners, Albertson College of Idaho (1982-1990; and several other civic organizations.

Mr. Runft has a B.A. degree in Political Science from Albertson College of Idaho in 1962 in Caldwell, Idaho and a J.D. degree from the University of Chicago Law School in 1965. While at the University of Chicago Law School, he was the recipient of a National Honor Scholarship and he earned the Jackson Prize in Constitutional law.

RICK D. SHIRRELL, age 41, is the founder and principal of Financial Consulting Group, a consulting services firm. He established his firm during 1990 to engage in providing financial and technical services to major corporations, smaller companies and individuals. He is currently a Director and Consultant for various organizations in finance and technology.

From 1984 to 1990, prior to establishing his own firm, Mr. Shirrell was a Senior Vice President of Landmark Bankshares Corporation, a multi-billion dollar regional bank holding company with headquarters in St. Louis. He was a member of the Executive Management Committee and his responsibilities included operations, systems, acquisitions, merger and corporate special projects. For a subsidiary, Landmark Services Corporation, he was Executive Vice President, Chief Operations Officer and Director responsible for all corporate functions and services of centralized operations, information technology, document processing, affiliate bank profitability, productivity, and bank acquisitions and mergers. From 1981 to 1984, Mr. Shirrell was a Senior Consultant for KPMG Peat Marwick in St. Louis. He is also a Director of Tower Venture LLC.

Mr. Shirrell has authored many articles on the topics of financial institution profitability, business strategies and financial industry trends. He is a member of the American Bankers Association, Financial Managers Society, and Southeast Missouri State University Alumni Board. He received a B.S. degree in Business Administration in 1979 from Southeast Missouri State University. In addition, he has completed graduate work at the School of Business of Washington University in St. Louis.

STEVE C. SWANSON, age 60, is the sole stockholder and President of Swanson & Co., Inc., an investment services firm. He is the Registered Principal and Registered Representative of the firm, which is a member of the National Association of Securities Dealer, Inc. (NASD). He is a major shareholder, Director and Officer of several small companies mostly in the real estate industry. He is also a Director of Tower Venture LLC.

Mr. Swanson established the company along with Swanson Investments, a sole proprietorship, during 1978 to engage in the field of investments and investment services. He is a sponsor/general partner in several private placement syndications. One of them was underwritten by Boettcher & Company, a regional investment banking firm with headquarters in Denver, Colorado. The others were underwritten by Swanson & Co., Inc. In addition, Mr. Swanson has provided financial and investment advisory and management services to many privately owned companies.

Prior to 1978, Mr. Swanson had an extensive, diversified, seventeen year financial services background which included eleven years in the practice of public accounting with local firms, international firms and as a sole practitioner. In 1971, he was a manager in the Boise/San Francisco office of Coopers & Lybrand (now PricewaterhouseCoopers). During the remaining

respective investments plus one hundred percent (100%) profit before any Funds or proceeds generated by the Transaction may distributed to the Common Members or applied to the Company's costs or debts. The Units are redeemed and the preferred membership is terminated upon payment to the Investor within five (5) international banking days after the Reserved Period. The accounting records of the Transaction shall be open to those Preferred Members (Investors) who provided investment proceeds utilized in the Transaction at any time, up to five (5) years after termination of said preferred membership.

(b) Common Membership. Common Membership is issued and limited only to the Co-Sponsors, Tower Venture LLC, an Ohio limited liability company, and Baylor/Gavic Associates LLC, an Illinois Limited Liability Company. Tower Venture LLC is the Manager of the Company, subject to the board of directors, and will bear the costs of operating the Company. As the common members, Tower Venture LLC and Baylor/Gavic Associates LLC will be entitled to all Funds and/or proceeds generated by the Transaction after payment of the preferred members' priority interest, costs of operation, and other obligations of the Company.

3. Offering. This Offering to Investors is for the purchase of Units of preferred ownership interest with Preferred Membership in the Company for the price of One Thousand Dollars ($1,000) per Unit. This Offering is an exempt offering pursuant to Rule 506 under SEC Regulation D. A Form D will be filed with the SEC for the offering. This Offering is available only to "Accredited Investors" as defined pursuant to Rule 501 under SEC Regulation D. (See Offering)

4. Co-Sponsors. Tower Venture LLC, an Ohio limited liability company and Baylor/Gavic Associates LLC, an Illinois Limited Liability Company, are the Co-Sponsors of the Company and of the offering. (See Co-Sponsors).

5. Offeror. The Company is the Offeror of this private placement for Accredited Investors. (See Offering).

6. Issuer. The Company is the Issuer of this Offering.

7. Management. Tower Venture LLC is the Managing Member of the Company subject to policy direction by the Board of Directors. (See Management).

8. Underwriter. Tower Equities, Inc., 8141 N. Main Street, Dayton, Ohio 45415 is the Underwriter for this Offering. Tower Equities, Inc. is registered with the SEC and is a member of the National Association of Securities Dealers ("NASD") and is a registered investment advisor. (See Underwriter).

9. Joint Venture. The Company may form a Joint Venture with other companies managed by Tower Venture LLC in order to undertake a Transaction in the name of the Joint Venture so as to accrue the transactional advantages of the aggregation of the combined assets of member venturers. A chart depicting the potential organizational relationships involved in such Joint Ventures is attached as Exhibit J.

RISK FACTORS

The Investors, as Accredited Investors, are expected to consider, independent from this offering document, the risks associated with investing in a unique investment such as provided by this offering.

There are various kinds and degrees of risk associated with investing in this offering. One of the significant risks is the alternative use of money while the investment is in the Escrow account and the Reserved Funds Account and the possibility that the investment will be returned with no profit other than minimal Escrow account interest. The Company believes that there is minimal risk associated with preserving the investment while in the Reserved Funds Account. Those with the authority to execute the Transaction documents have been specifically instructed to not put the Funds (Reserved Funds Account) at risk.

There are, however, certain risks to the Investor involved in entering into a Transaction that:

- is outside of the United States.
  The Company believes that the Reserved Funds Account has minimal risk but any profit that is expected to result from the transaction has greater risk of not being realized by the Company. The Reserved Funds Account will be in the United States or, if appropriate for the Company, in Europe. The Transaction will occur in Europe.
- involves certain non-disclosed information.
  These Transactions are private transactions which involve confidential agency and other agreements, the terms of which the parties are typically reluctant to discuss publicly.
- involves certain agreements to be entered into after the offering period.
  The proposed Transaction contract will be presented to the Company only after the Reserved Funds Account has been established.
- involves an area of investing in which the terms and conditions are constantly changing.
  These Transactions are subject to rapidly changing economic conditions and the pressures of supply and demand of financial instruments and the investment capital.
- is dependent on the integrity, competence and judgment of the Co-Sponsors.
  The documents will be received and reviewed by the Managing Director of the Company and the final documents executed by Mr. Lehman as CEO and Mr. Runft as Secretary and Company transactional attorney. The Managing Director represents that the Company will comply with terms of this Offering.
- is dependent on individuals with limited direct experience with these kind of transactions and the third parties to the Transactions.
  The Members of the Managing Director, while very experienced businessmen and professionals, have limited experience relating to the type of transaction and the third parties to the expected Transaction.
- is affected by certain income tax issues as outlined in Tax Aspects.
  Any income will be taxable as ordinary income to U.S. income tax paying entities. Any loss will not be, for the most part, deductible except as an offset to either capital gains or passive income, depending on the tax treatment allowed pursuant to the Internal Revenue Code.

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Any and all other significantly relevant, non-confidential information not included herein, will be made available by the Managing member, Tower Venture LLC, to all Investors at the proper time for making an adequate evaluation prior to investing. (See Suitability and Advisors).

UNDERWRITER

The Company has entered into an underwriting agreement with Tower Equities, Inc. (the Underwriter). This agreement is attached to the Offering as Exhibit B.

The Company has employed the Underwriter as its agent to sell, on a "best efforts" basis, Units as outlined on the cover page of this Offering. The Underwriter will receive no compensation. However, if the Managing Member of this Offering successfully completes a Transaction through this or other offerings, the Underwriter will be reimbursed for certain specified expenses incurred in this Offering.

Although the Underwriter will receive no compensation if it sells this Offering, an affiliated entity of the Underwriter will receive a substantial profit. Philip A. Lehman, the principal shareholder of the Underwriter, has indicated that he believes the Underwriter will directly or indirectly receive appropriate benefits upon the successful completion of a Transaction through this or other offerings. See Management and Conflicts of Interest.

The Underwriter, an Ohio corporation, is a member firm of the National Association of Securities Dealers, Inc. (NASD) and an Investment Adviser registered with the SEC. The Underwriter has approximately one hundred (100) licensed securities sales representatives located in thirty (30) states.

CO-SPONSORS/DIRECTORS

The Co-Sponsors of this Offering are two limited liability companies which are the Common Members and Directors of the Company.

One of the Co-Sponsors is Tower Venture LLC, an Ohio limited liability company, which is also the Managing Member of the Company. It was formed without capital as a service company for providing investment opportunities to investors similar to the investment opportunity presented in this offering. (See Management).

The other Co-Sponsor is Baylor/Gavic Associates LLC, an Illinois limited liability company. It was formed without capital as a service company for providing certain expertise and management assistance services to the Company. Baylor/Gavic Associates LLC will be responsible for providing investment, business, financial and insurance advice, contracts, and expertise to the Company and to assist Management in these and related areas.

Baylor/Gavic Associates LLC is owned, managed and controlled by Kenneth G. Baylor, Mark H. Gavic, and C. Harlon Gavic, Managing director(s):

Kenneth G. Baylor, age 47, is co-founder of Marken Enterprises, a Midwest marketing company specializing in insurance and high-yield investments. Since leaving his position as Vice-President of Annuities and Life Insurance Marketing in 1990, he has concentrated his efforts on working with brokers to find the highest yielding investments for their clients.

EXHIBIT A

DESCRIPTION OF TRANSACTION

A Reserved Funds Transaction ("Transaction") can take place only when the Reserved Funds Account contains investment proceeds on deposit in the sum of at least Ten Million Dollars ($10,000,000). Depending upon the number of Investors and as set forth in the Operating Agreement, the Managing Member of the Company may elect not to participate in a Transaction until the escrow account contains a specified sum in excess of One Million Dollars ($1,000,000) in order to compensate for any unanticipated withdrawal of investment proceeds by an Investor seeking a refund. When the investment proceeds in escrow reach the agreed level, the Managing Member of the Company will instruct the Underwriter to give the respective financial management company notice and proof that the requisite funds are on deposit ready to proceed with the Transaction. Such notice and proof of funds may be given by a Joint Venture of which the Company is a member. This notice and proof of funds will be accompanied by the Company's, or respectively the Joint Venture's, application to undertake the Transaction and the resolution of the Company or the Joint Venture authorizing the Transaction and other documents required by the financial management company. Upon approval of the application, the financial management company will instruct the Company or the Joint Venture, as the case maybe, to establish an interest bearing account ("Reserved Funds Account) in the name of the Company or the Joint Venture in a designated money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture and the financial management company may determine. Upon the selection of the designated Reserved Funds Bank, the financial management company will make arrangements for the Company or the Joint Venture to establish the Reserved Funds Account at that bank.

Immediately upon the establishment of the Reserved Funds Account, the Company will break escrow and transfer the investment proceeds from the escrow account to the Reserved Funds Account. Upon receipt of confirmation of the deposit of the investment proceeds in the Reserved Funds Account, the financial management company will cause a draft of the Transaction contract to be sent Tower Venture LLC as the Managing Member of the Company or of the Joint Venture for review and approval.

The Transaction commences with the execution of the Transaction contract in Europe between the Managing Member on behalf of the Company or the Joint Venture, as the case may be, and a designated trading company authorized and sponsored by a money center bank ("Transaction Bank"). The fee arrangement between the Company and the financial management company will be incorporated into the Transaction contract. The execution of the Transaction contract takes place in the Transaction Bank between the Company or the Joint Venture represented by the Managing Member and the trading company in the presence of an officer of the Transaction Bank and possibly a representative of the financial management company. The trading company's sponsorship and authorization by the Transaction Bank will be confirmed and authenticated at the time of the execution of the Transaction contract. The Transaction provides that the Funds in the Reserved Funds Account shall be reserved (placed on hold) for a period of twenty (20) international banking days. The provisions of the Transaction contract whereby the Company or the Joint Venture agrees to the placing of the Funds on reserve status, or hold, will not create or cause to be created any security interest in, liens or claims against, or any other hypothecation of the Funds in the Reserved Funds Account. The effect of the reserved status (hold) on said Funds shall be that during said twenty (20) day period, said

UNDERWRITING AGREEMENT

THIS Underwriting Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and between Baylor/Gavic LLC, an Ohio limited liability company (the "Company") and Tower Equities, Inc., an Ohio corporation (the "Underwriter").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15,1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum (Private Placement Memorandum for Accredited Investors) is attached hereto as Exhibit A.

C. The Company desires to retain the services of the Underwriter on an exclusive basis in the Offering for the purposes of supervising and controlling the solicitation and qualification of the Investors for the sale of Units, collection and deposit of sales proceeds into escrow and related underwriting functions.

D. The Underwriter is a member of the National Association of Securities Dealers, Inc. (NASD) and an SEC registered investment advisor. For consideration, the Underwriter is willing to provide underwriting services to the Company, including but not limited to, the supervision and control of the sale of Units, the solicitation and qualification of the Investors for the sale of Units, the execution of the subscription agreements, and the receipt and deposit of sales proceeds into escrow relative to the Offering.

NOW, THEREFORE, in consideration of the foregoing recitals and of the terms, conditions and covenants contained herein, the parties hereto agree as follows:

1. The Company hereby retains the Underwriter on an exclusive basis for the Offering to provide the hereinafter described underwriting services with respect to the Offering, and the Underwriter for the consideration hereinafter set forth agrees to provide said limited underwriting services.

2. The services to be provided by the Underwriter shall be exclusively for, and related to, the Offering and shall be comprised of the following services, including such services as are reasonably deemed necessary to accomplish said services:

(a) The Underwriter shall be the exclusive provider of the herein described underwriting services, however it is understood that Underwriter at its

THE COMPANY: Baylor/Gavic LLC
8141 N. Main Street
Dayton, OH 45415
Attention: Philip A. Lehman

THE UNDERWRITER: Tower Equities, Inc.
8141 N. Main Street
Dayton, OH 45415
Attention: Philip A. Lehman

6. General Provisions.

A. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.

B. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.

C. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

D. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.

E. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.

F. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.

G. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.

H. Execution of Multiple Originals: Two original counterparts of this agreement shall be executed by these parties.

I. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

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EXHIBIT C

ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and among Baylor/Gavic LLC, an Ohio limited liability company (the "Company"); Tower Venture LLC, an Ohio limited liability company as the Managing Member of the Company ("Managing Member"); Tower Equities, Inc., an Ohio corporation (the "Underwriter"), and Star Bank N.A., Troy, Ohio (the "Bank").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15, 1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum is attached hereto as Exhibit A.

C. Management of the Company is vested in Tower Venture LLC, which is the managing common member of the Company. All documents of the Company are signed on its behalf by Tower Venture LLC as the managing member, through its president, Philip A. Lehman.

D. The Units offered by the Company are sold through the Underwriter, Tower Equities, Inc. The Underwriter supervises and controls the solicitation and qualification of the Investors, execution of the subscription agreement, receipt and deposit of sales proceeds into escrow and performs other related underwriting functions. The Company and the Underwriter have entered into an Underwriting Agreement, a copy of which is attached hereto as Exhibit B.

E. In accordance with the requirements of the Offering, the Managing Member has determined that the Company will not commence operations unless and until subscriptions for the aggregate minimum of ten Units have been received and accepted by the Underwriter on behalf of the Company from subscribing Investors and the proceeds from said sales have been deposited in the escrow account with the Bank for an aggregate minimum of at least One Million Dollars ($1,000,000).

F. The Bank is willing to establish in the name of the Company a segregated interest bearing account for the escrow of Unit sales proceeds (the "Escrow Account") and to act as escrow agent for said escrowed funds in accordance with the terms of this Agreement.

G. In accordance with the terms of the Offering, the Company through the Managing Member has determined that Unit sales proceeds shall be held in the Escrow Account until the aggregate of said proceeds equals or exceeds the sum of One Million Dollars ($1,000,000) at which time the escrow may be broken and the proceeds thereof utilized by the Company for the purposes of the Offering. Such One Million Dollar aggregations of Unit sales proceeds may be repeated until the maximum of the Offering has been attained.

subscribing investors must be provided to the bank in conjunction with the request to disburse the net escrow proceeds. This procedure may be repeated for each such Ten Million Dollar aggregation of such proceeds in the Escrow Account until the aggregated maximum amount of the Offering has been reached.

7. If at any time during the term of the Offering a subscribing Investor makes written demand upon the Company or the Underwriter for the return of said Investor's investment, an amount equal to said Investor's respective investment plus his pro rata share of investment interest earned in the Escrow Account net his pro rata share of escrow fees to date shall be returned to him upon written notice thereof given to the Bank by the Managing Member on behalf of the Company and by the Underwriter. Upon receipt of such notice, the Bank shall distribute said net amount to said Investor at the Investor's address provided by the Managing Member or the Underwriter in the form of a bank cashier's check payable to said Investor.

8. If at the expiration of the term of the Offering (and any extensions thereof) the collected sales proceeds from the subscriptions of at least One Thousand (1,000) Units ($1,000,000) are not on deposit in the Escrow Account, the Company through the Managing Member and the Underwriter shall so notify the Bank in writing. Said notice to the Bank shall include the name and mailing address of each subscribing Investor for the purpose of the return of the escrowed funds. Upon receipt of said notice, the Bank shall as soon as possible thereafter cause cash payments to be distributed to each subscribing Investor at said mailing address provided by the Company or the Underwriter. Said cash payments to the subscribing Investors shall be the amount of the Investor's respective investment plus Investor's pro rata share of the investment interest earned by the Escrow Account, net his pro rata of escrow fees. Such distribution to the subscribing Investor shall be in the form of a bank cashier's check payable to said Investor.

9. The Bank may rely and shall be protected in acting upon any written or verbal notice, instruction or request to the Bank hereunder and believed by it to be genuine and believed by it to have been signed or made by the appropriate party pursuant to this Agreement.

10. The Bank shall not be liable for any action taken or not taken by it in good faith and believed by it to be authorized or within the rights of powers conferred upon it by this Agreement. With regard to any such action or omission, the Bank may consult with counsel of its own choice. Any action taken or suffered by the Bank hereunder in good faith shall be deemed to have been authorized by the Company and its Managing Member and by the Underwriter. The Bank is not bound by the terms of any other agreements between the parties, despite knowledge thereof, including the agreements attached hereto as Exhibits A and B.

11. The Bank may resign and be discharged from its duties hereunder by giving fifteen (15) days written notice of such resignation specifying the date when its resignation shall take effect.

12. The Company hereby agrees to pay the Bank reasonable compensation for services to be rendered hereunder and will pay or reimburse the Bank upon request for all expenses, disbursements and advances, including reasonable attorney fees incurred or made by it in

THE BANK: Star Bank N.A.
910 W. Main Street
Troy, OH 45373
Attention: Thomas J. Kleptz, V.P. Trust Officer

17. General Provisions.

a. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.

b. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.

c. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

d. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.

e. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.

f. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.

g. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.

h. Execution of Multiple Originals: Four original counterparts of this agreement shall be executed by these parties.

i. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

IN WITNESS WHEREOF, the parties hereto have executed and made effective this Agreement on the day and year first above written.

THE COMPANY: Baylor/Gavic LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President
Of the Managing Member

MANAGING MEMBER: Tower Venture LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President

UNDERWRITER: Tower Equities, Inc.

By _____
Philip A. Lehman, Chairman

THE BANK: Star Bank N.A.

By _____
Thomas J. Kleptz, V.P. Trust Officer

EXHIBIT D
to Private Placement Memorandum
for Accredited Investors

BAYLOR/GAVIC LLC

Purchaser Questionnaire

Baylor/Gavic LLC
8141 N. Main St.
Dayton, OH 45415

Attention: Philip A. Lehman

Re: Baylor/Gavic LLC

Gentlemen:

The following information is furnished to you in order for you to determine whether the undersigned is qualified to purchase Units of Preferred Ownership With Preferred Membership (Units) in the above referenced company pursuant to sections 4 (2) of the Securities Act of 1933, as amended (the "Act"), Regulation D promulgated thereunder, and appropriate provisions of applicable state securities laws. I understand that you will rely upon the following information for purposes of such determination, and that the Units will not be registered under the Act in reliance upon the exemption from registration provided by sections 4 (2) of the Act, Regulation D, and appropriate provisions of applicable state securities laws.

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. However, I agree that you may present this questionnaire to such parties as you deem appropriate if called upon to establish that the proposed offer and sale of the units is exempt from registration under the Act or meets the requirements of applicable state securities laws.

I hereby provide you with the following representations and information:

1. Name: _____

2. Residence Address & Telephone No: _____

3. Mailing Address: _____

4. Employer & Position: _____

5. Business Address & Telephone No: _____

6. Business or Professional Education & Degree: _____

7. Prior Employment (5 Years):

Employer	Nature of Duties	Dates of Employment

8. Prior Investments of Purchaser:

	Amount (Cumulative)		
Capital Stock	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000 _____	$1,000,000_____
Bonds	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000_____	$1,000,000_____
Other	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000_____	$1,000,000_____

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10. Financial Information:

(a) I represent that my individual net worth (exclusive of home, home furnishings and personal automobiles) is in excess of $_____

(b) I represent that my individual net worth including home, home furnishings and personal automobiles is in excess of $_____

(c) I represent that my individual joint gross income was in excess of:

1996		$_____
1997		$_____
1998 (estimate)		$_____

(d) I have such knowledge and experience in financial; tax and business matters that I am capable of utilizing the information made available to me in connection with the offering of the Notes to evaluate the merits and risks of an investment in the Notes, and to make an informed investment decision with respect to the Notes. I do not desire to utilize a Purchaser Representative in connection with evaluating such merits and risks. I understand, however, that the Company may request that I use a Purchaser Representative.

Please Initial Here _____

11. Except as indicated below, any purchases of the units will be solely for my account, and not for the account of any other person or with a view to any resale or distribution thereof.

12. I represent to you that the information contained herein is complete and accurate and may be relied upon by you. I understand that a false representation may constitute a violation of law, and that any person who suffers damage as a result of a false representation may have a claim against me for damages. I will notify you immediately of any material change in any of such information occurring prior to the closing of the purchase of units, if any, by me.

_____
Name (Please Print)

_____
Signature

Executed at _____
(City) (State)

on this _____day of _____, 19___

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Exhibit D, p. 3

EXHIBIT E

SUBSCRIPTION AGREEMENT
FOR UNITS OF BAYLOR/GAVIC LLC
AN OHIO LIMITED LIABILITY COMPANY

The undersigned hereby agrees to purchase ____ units of Preferred Ownership Interest With Preferred Membership ("Units") in Baylor/Gavic LLC, an Ohio limited liability company (the "Company"), at the price of $_____per Unit for an aggregate subscription of $_____ . The undersigned agrees that concurrently with signing this Subscription Agreement, he will pay the purchase price for all Units so subscribed by check for the purchase price to be held in escrow by Tower Venture LLC, (the "Managing Member") until subscriptions have been accepted for Units providing sufficient funds to commence Company operations, or if subscription occurs after such time, until _____ or any earlier release of funds to the company pursuant to the Company's Operating Agreement.

The undersigned hereby represents and warrants to the Managing Member, the Company and other investors that:

(a) I have read and understand the Private Placement Memorandum dated August 15, 1998, pursuant to which the Units are offered, the Certificate of ownership, Articles of Organization of the Company, the Operating Agreement of the Company, and the Certification of Adoption and Ratification of the Operating Agreement prior to my execution of this Subscription Agreement;

(b) I recognize the speculative nature of this investment;

(c) Disregarding my investment in the Company, I am one of the following: (1) Any bank, savings and loan association, broker or dealer, insurance company, investment company, business development company, Small Business Investment Company, and some employee benefit plans. (2) Any private business development company. (3) Any organization, corporation, business trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5 million. (4) Any director, executive officer or general partner of the issuer or of a general partner of the issuer. (5) Any person whose individual net worth, or joint net worth with spouse, at time of purchase exceeds $1 million. (6) Any person who had an annual individual income in excess of $200,000 in the past two years or annual joint income with spouse in excess of $300,000 in those years and has a reasonable expectation of reaching the same income level in the current year. (7) Any trust, with total assets in excess of $5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person. (8) Any entity in which all of the equity owners are accredited investors.

(d) I have reviewed the documents and information relating to the transaction and have substantial experience in investments and business matters and recognize the merits, disadvantages and risks of an investment in this nature, and/or business, tax and/or legal advisors have reviewed the documents and information relating to this transaction and they have advised me as to the merits, disadvantages and risks of this offering.

(e) I acknowledge that the Units to be sold in this offering have not been registered under the Securities Act of 1933 in reliance upon the exemption provided by Section 4 (2) of said Act.

(f) I understand that certain precautions are necessary to ensure that no Units are resold in violation of Section 4 (2) and that the Managing Member will make the necessary notations in the records of the Company to prevent the transfer of any Units in violation of the above restrictions;

(g) I understand that (i) the Units are unregistered securities and can be resold by a purchaser only if he registers the Units under the Securities Act of 1933 or obtains an opinion of counsel satisfactory to the Managing Member that registration is not required , and (ii) this restriction on transfer is in addition to the restrictions in Section 4 (2) stated above.

(h) I am acquiring the Units that I have committed to purchase for my own account as principal for investment purposes only and without a view to the resale, transfer or distribution thereof, and I will not offer to sell or

EXHIBIT F

MEMBER CERTIFICATION OF ADOPTION AND
RATIFICATION OF OPERATING AGREEMENT

THE UNDERSIGNED, being Members of Baylor/Gavic LLC, An Ohio Limited Liability Company, (the "Company") evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by Members on the date indicated.

COMMON MEMBERSHIP:

Tower Venture LLC, an Ohio Limited Liability Company

By _____
Philip A. Lehman, Managing Director

Date: _____

Baylor/Gavic Associates LLC, an Illinois Limited Liability Company

By _____
Kenneth G. Baylor, Managing Director

By _____
Mark H. Gavic, Managing Director

Date: _____

PREFERRED MEMBERS:

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

EXHIBIT G

CERTIFICATE NO. _____ _____ Preferred Units
(fully paid, redeemable)

CERTIFICATE OF OWNERSHIP

OF PREFERRED UNITS OF
BAYLOR/GAVIC LLC

THIS CERTIFIES that _____ is the registered Owner of _____ ( ) Preferred Units of Ownership with membership in _____LLC an Ohio Limited Liability Company, having two classes of membership: Preferred and Common.

The Preferred Units represented by this certificate are not transferable, but are redeemable by the Owner or the Company. Redemption of Preferred Units shall be by the payment of money by the Company to the Owner as provided in the Operating Agreement of the Company. Upon redemption of any Preferred Units, the Preferred Membership in the Company represented by said redeemed Preferred Units shall be automatically terminated.

IN WITNESS WHEREOF, the Company has caused this CERTIFICATE to be issued and signed by The President of its duly authorized Managing Member, this _____ day of _____, 1998.

_____LLC

By _____
Philip A. Lehman, President of
Tower Venture LLC
Managing Member of Baylor/Gavic LLC

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EXHIBIT H

ARTICLES OF ORGANIZATION

BAYLOR/GAVIC LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

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(c) A copy of all written contracts and agreements, including copies of any prior agreements no longer in effect.

(d) A copy of all tax returns and financial statements for the last three years of operation.

(e) A record of contributions from and distributions to each Member by the Company as required under Ohio Revised Code Section 1705.28.

9. Amendment of Articles. These articles may be amended only by a majority in interest vote of each class of membership.

Dated this 15th day of August, 1998.

IN WITNESS WHEREOF the Undersigned Common Members have executed these Articles of Organization on the date above written:

Tower Venture LLC

By: _____
Philip A. Lehman, President of Tower Venture LLC

Baylor/Gavic Associates LLC

By: _____
Kenneth G. Baylor, Managing Director of Baylor/Gavic Associates LLC

By: _____
Mark H. Gavic, Managing Director of Baylor/Gavic Associates LLC

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EXHIBIT I

OPERATING AGREEMENT
OF

BAYLOR/GAVIC LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

THE PREFERRED UNITS HEREIN DESCRIBED AND REPRESENTED AND ISSUED BY THIS LIMITED LIABILITY COMPANY (the "COMPANY") UNDER AND PURSUANT TO THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "1933 ACT") OR ANY APPLICABLE STATE SECURITIES LAWS AND ARE AVAILABLE FOR PURCHASE ONLY TO "ACCREDITED INVESTORS" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE 1933 ACT, AS AMENDED. SAID PREFERRED UNITS ARE BEING OFFERED TO INVESTORS BY THE COMPANY PURSUANT TO A PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS ("OFFERING MEMORANDUM") WHICH IS ATTACHED TO THIS OPERATING AGREEMENT AND BY THIS REFERENCE MADE A PART HEREOF. THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY HAVE PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE OFFERING. THE PREFERRED UNITS SOLD PURSUANT TO THE OFFERING HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT IN RELIANCE UPON THE EXEMPTION FROM REGISTRATION PROVIDED BY SECTION 4(2) OF THE ACT AND PURSUANT TO RULE 506 UNDER REGULATION D OF THE U.S. SECURITIES AND EXCHANGE COMMISSION.

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ARTICLE VIII NOTICE
8.1 Notice
8.2 Waiver of Notice

ARTICLE IX GENERAL PROVISIONS

9.1 Entire Agreement
9.2 Assignment
9.3 Execution of Other Documents
9.4 Binding Effect
9.5 No Waiver of Future Breach
9.6 Attorney's Fees
9.7 Governing Law
9.8 Execution of Multiple Originals
9.9 Severability

ARTICLE X. AMENDMENTS

10.0 Amendments

RATIFICATION AND EXECUTION

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2.3 Operating Agreement. This Operating Agreement as maintained in the records of the Company constitutes the total and complete Operating Agreement of the Company superceding and excluding all other agreements, memoranda, understandings except the Offering Memorandum, which is deemed to be part of this Operating Agreement.

ARTICLE III
MEMBERSHIP

3.1 Two Classes of Membership. There are two classes of membership in the Company:

(a) Common Membership
(b) Preferred Membership

3.2 Common Membership.

(a) The Company will issue one hundred (100) Units of Common ownership interest in the Company ("Common Units"). No certificates shall be issued for the common membership class or for Common Units. An owner of at least one (1) Common Unit is a member of the common membership class.
(b) The distribution of issued Common Units shall be set forth in this Operating Agreement and kept current by amendment, as the case may be. Accordingly, Common Units of the Company have been issued and distributed as follows:

Tower Venture LLC	96 Common Units
Baylor/Gavic Associates LLC	4 Common Units
Total	100 Common Units

(c) Each Common Member shall be entitled to the number of votes equal to the number of Common Units owned by him in all matters where the common membership is entitled to vote.
(d) The Common Members shall constitute the Board of Directors of the Company, which shall direct and manage the affairs and business of the Company. (See Article IV Management).
(e) The Common Members shall be entitled to all funds and/or proceeds generated by any Transaction after payment of the Preferred Members priority interest, costs of operation and other obligations of the Company as set forth in the Offering Memorandum.
(f) Persons holding common membership may also hold preferred membership and any contribution to capital made by such persons shall be made as Preferred Members and certificates for Units of Preferred Ownership Interest will be awarded accordingly to such person as Preferred members.

3.3 Preferred Membership.
(a) Preferred Members shall consist of those persons who contribute to the capital of the Company (invest) for which they shall receive certificates for Units of Preferred Ownership Interest ("Preferred Units") which automatically vests them with Preferred Membership.
(b) Although Preferred Members do not participate in the direction and management of the affairs and business of the Company, the affirmative vote of a majority of the Preferred Units of the Preferred Membership and of the Common Membership must be obtained in order to amend the Articles of Organization, or this Operating

IV
MANAGEMENT

4.1 Board of Directors.

(a) The business and affairs of the Company shall be directed and managed by the Board of Directors composed of the Common Members of the Company. Each Common Member shall be a Director. Each Director shall have one (1) vote in all matters determined or acted upon by the Board of Directors, regardless of the number of Common Units owned by that Director as a Common Member. All references in the Offering or elsewhere to the vestment of the direction and management of the Company in the Common Members shall mean and be interpreted to mean the Common Members in their capacity as Directors of the Company acting as the Board of Directors of the Company.

(b) The Board of Directors shall appoint a Common Member of the Company to be the Managing Member of the Company. Said appointment shall be set forth and declared in this Operating Agreement.

4.2 Managing Member.

(a) The Board of Directors has appointed, and does hereby appoint, Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and Co-Sponsor of the Offering, to be the Managing Member of the Company. The Managing Member will be the Chief Executive Officer (CEO) of the Company responsible for the general overall supervision of the business and affairs of the Company subject to policy direction by the Board of Directors.

(b) When present, the Managing Member will preside at all meetings of the Board of Directors and meetings of Members. The Managing Member may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments which have been authorized by the Board of Directors or the appropriate class or classes of members to be executed, except in cases where the signing or execution is expressly authorized or delegated by the Board of Directors or by this Operating Agreement or by Statute to some other Officer or Agent of the Company; and, in general, Managing Member will perform all duties as may be prescribed by the Board of Directors from time to time.

(c) Since the Managing Member is an entity, the Chief Executive Officer of said Managing Member entity shall be the individual who acts on behalf of the Managing Member as CEO of the Company.

(d) The Managing Member will manage the day-to-day affairs and business of the Company and will execute direction and policy set by the Board of Directors of the Company. The Managing Member will be responsible on behalf of the Company for the Company's compliance with all federal and state statutes and regulations relating to the Company's formation, operation and business. Except for situations in which the approval of the Members is expressly required by the Articles of Organization or this Operating Agreement, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and assets of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business, subject to direction and the policies of the Board of Directors.

(e) The Managing Member shall have the authority to compromise any obligation of a Preferred Member to make a contribution for any reason whatsoever as the Managing Member deems to be in the best interests of the Company.

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subject to the priority interest of the Preferred Members in the assets and income of the Company.

(b) Notwithstanding any other provision of this Operating Agreement or of the Offering Memorandum, no Director or Managing Member shall be liable to any Member of the Company with respect to any act performed or neglected to be performed in good faith and in a manner which such Director or Managing Member believed to be necessary or appropriate in connection with the ordinary and proper conduct of the Company's business or the preservation of its property, and consistent with the provisions of the Articles of Organization and this Operating Agreement.

(c) The Company shall indemnify the Directors and the Managing Member for and hold them harmless from any and all liability, whether civil or criminal, and any loss, damage or expense, including reasonable attorney's fees, incurred in connection with the ordinary and proper conduct of the Company's business and the preservation of its business and property; provided that the Director or Managing Member to be indemnified acted in good faith and in a manner such Director or Managing Member believed to be consistent with the provision of the Articles of Organization, this Operating Agreement and the Offering Memorandum; provided, further, that the funding of any such indemnification shall not in any way jeopardize or impact the funding of the Preferred Members' economic interests.

(d) The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Director, Officer, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding, if the Common Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgement, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, will not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(e) The Company will fund the indemnification obligations provided by this Section 4.6 in the manner and to the extent the Common Members may from time to time deem proper; provided, further, that such funding will not jeopardize the economic interests of the Preferred Members.

4.7 Confidential Information.

(a) Proprietary Information. Each Member of the Company hereby agrees that, for the term of this Agreement and for a period of three (3) years after the termination of this Agreement, the financial information relating to the Offering, including, but not limited to, information obtained from Preferred Members regarding their status as Accredited Investors, funds invested, the escrow account established pursuant to the Offering, and any and all Transactions engaged in by the

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5.4 Common Membership Interests. Common Members will be entitled to all Funds in the Reserved Funds Account and/or proceeds generated by each and every Transaction after payment in full of the Preferred Members' priority interests, costs of operation, and other obligations of the Company. All such distributions shall be made either by bank cashier's checks or by wire transfer to the accounts designated by the respective Common Members to the Managing Member.

VI
FISCAL MATTERS

6.1 Fiscal Year. The fiscal year of the Company will begin on the first day of January and end on the last day of December each year, unless otherwise determined by resolution of the Members.

6.2 Income Tax Matters. The Company shall elect to be taxed on income as a partnership and on a cash basis.

6.3 Deposits. All funds of the Company will be deposited from time to time to the credit of the Company in the banks, trust companies or other depositories as the Managing Member may select, subject to change by resolution of the Board of Directors.

6.4 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company will be signed by the Managing Member.

6.5 Contracts. The Managing Member shall have the authority to enter into contracts and execute instruments in the name of the Company in relation to transactions approved by the Common Members and in relation to operation of the Company.

6.6 Accountant. An Accountant may be selected from time to time by the Managing Member to perform such tax and accounting services as may be required from time to time. The accountant may be removed by the Managing Member without assigning any cause.

6.7 Legal Counsel. One or more Attorney(s) at Law may be selected from time to time by the Managing Member to review the legal affairs of the Company and to perform other services as may be required and to report to the Managing Member with respect to those services. The Legal Counsel may be removed by the Managing Member without assigning the cause.

ARTICLE VII
BOOKS AND RECORDS

7.1 Books and Records. The books and records of the Company must be kept at the principal office of the Company or at other places, within or without the State of Ohio, as the Managing Member or Members from time to time determine.

7.2 Right of Inspection. Any Member of record will have the right to examine and make copies, at any reasonable time or times for all purpose, the books and records of account, minutes and records of Members. The inspection may be made by any agent or attorney of the Member. On the written request of any Member, the Company must mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

9.9 Severability In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

ARTICLE X
AMENDMENTS

10.0 Amendments. This Operating Agreement may be altered, amended, restated, or repealed and a new Operating Agreement may be adopted by the affirmative majority in interest vote of both classes of Membership, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

CERTIFICATION

THE UNDERSIGNED, being all of the Members of Baylor/Gavic LLC, An Ohio Limited Liability Company, evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by each Member on the Date indicated.

COMMON MEMBERS:

Tower Venture LLC

By:_____
Philip A. Lehman, President

Date:_____

Baylor/Gavic Associates LLC

By:_____
Kenneth G. Baylor, Managing Director

By:_____
Mark H. Gavic, Managing Director

Date: _____

Preferred Members:

_____

Date:_____

_____

Date:_____

_____

Date:_____

_____

Date:_____

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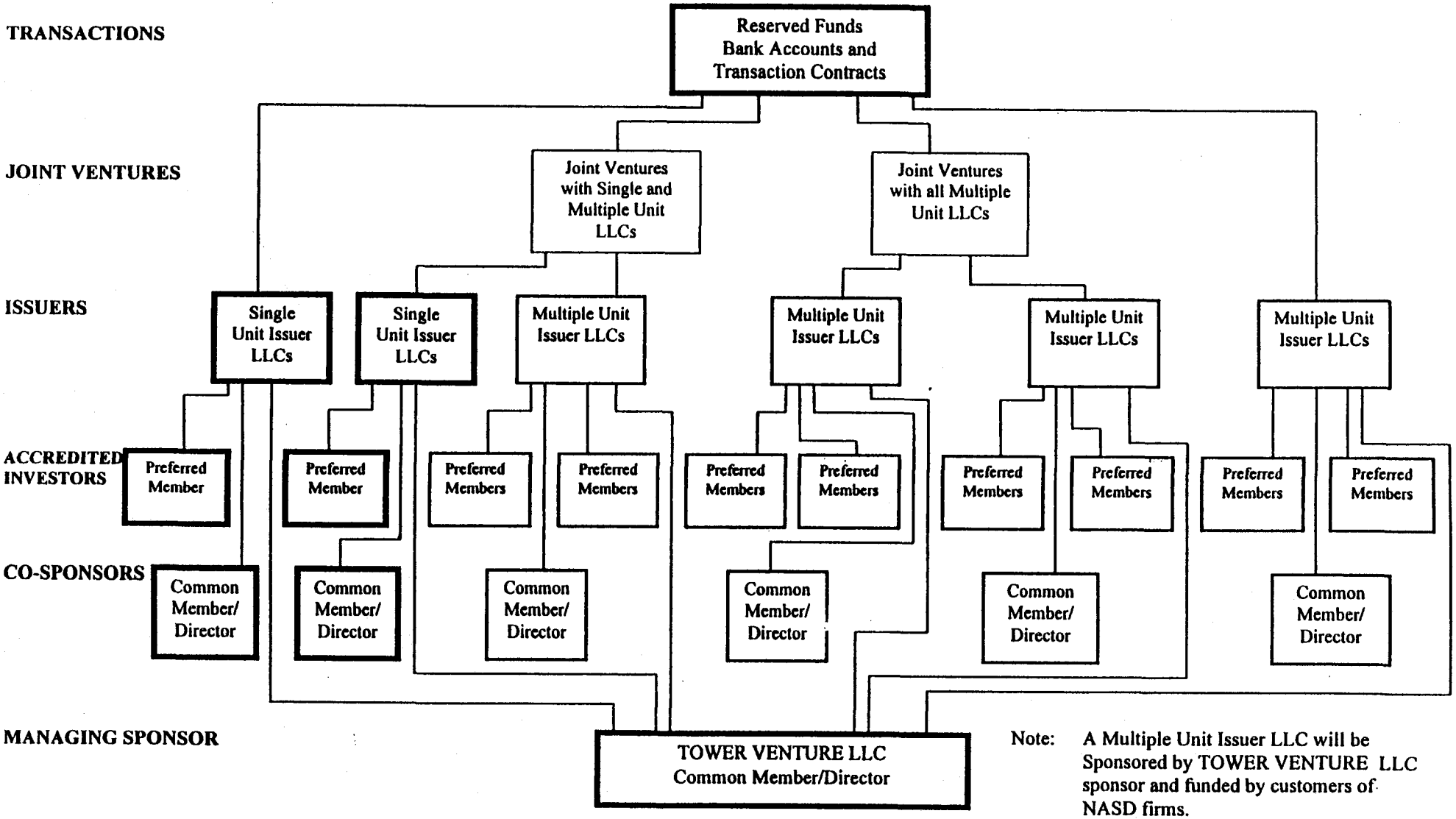
EXHIBIT J

CHART OF ORGANIZATIONAL RELATIONS



Note: A Multiple Unit Issuer LLC will be Sponsored by TOWER VENTURE LLC sponsor and funded by customers of NASD firms.

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PRIVATE PLACEMENT MEMORANDUM
FOR ACCREDITED INVESTORS

Wellington LLC, An Ohio Limited Liability Company ("Company")

Offering Consisting of
Units of Preferred Ownership Interest with Preferred Membership ("Units") In the Company
$50,000,000
Offered From August 15, 1998 through October 15,1998
(May be extended to December 15, 1998. See Period of Offering)
Co-Sponsors: Tower Venture LLC, an Ohio Limited Liability Company. ("Tower Venture")
and Wellington Industries LLC

Wellington LLC period ending October 15, 1998 has been extended from October 15, 1998 to December 15, 1998

	Price to Investor (1)	Underwriting Commission (2)	Net Proceeds For Investing
Minimum Per Investor	$ 1,000,000	None	$ 1,000,000
Minimum Of Offering	$ 1,000,000	None	$ 1,000,000
Maximum Of Offering	$ 50,000,000	None	$ 50,000,000

(1) The amount of a Unit shall be $1,000. A minimum of One Thousand Units per Investor is required. No fractional Units will be permitted.

(2) No commissions or other compensation for selling Units are available.

THIS OFFERING IS AVAILABLE ONLY TO "ACCREDITED INVESTORS." THE INVESTOR MUST BE AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE INVESTOR SHOULD CONSULT IT'S OWN LEGAL COUNSEL, ACCOUNTANT AND/OR OTHER PROFESSIONAL ADVISORS AS TO LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THIS OFFERING. (See Suitability and Advisors)

THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES AGENCY HAS PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE PURCHASE OF THIS INVESTMENT SHALL NOT BE THE RESULT OF ANY OFFER OR SOLICITATION OF AN EXEMPT SECURITY, OR EXEMPT TRANSACTION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON OTHER THAN THE SPONSORS AND THE UNDERWRITER HAVE BEEN AUTHORIZED TO GIVE ANY INFORMATION (OTHER THAN THAT CONTAINED IN OTHER DOCUMENTS REFERRED TO HEREIN) OR TO MAKE ANY REPRESENTATIONS CONCERNING THIS OFFERING OTHER THAN THOSE CONTAINED HEREIN, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

EXHIBIT
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Adm.

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proceeds while on deposit in the Escrow Account (net of bank escrow fees) in addition to the amount which the Investor is entitled by Unit ownership in a Transaction.

A Transaction may be undertaken solely by the Company and not by any individual Investor or in partnership with any Investor. The Company may enter into a joint venture with other companies managed by Tower Venture LLC ("Joint Venture") to undertake a Transaction on a pro rata basis as a member of said Joint Venture. The Joint Venture would be managed by Tower Venture LLC. At any time after the investment proceeds ("Funds") accumulated and held in the escrow account amount to Ten Million Dollars ($10,000,000) or more, the Company may initiate the Transaction and break escrow. With the initiation of the Transaction, the Funds will be transferred to and deposited in an interest bearing account ("Reserved Funds Account") in the name of the Company or in the name of a Joint Venture in a money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture may determine.

The Funds will remain on deposit in the Reserved Funds Account for purposes of the Transaction for a period not to exceed sixty (60) days. At no time will the Reserved Funds Account or the Funds therein be subject to any lien, claim, security interest, or hypothecation whatsoever. During said sixty (60) day period, said Funds will be placed on hold for a period of twenty (20) international banking days ("Reserved Period") pursuant to a contract entered into by the Company or a Joint Venture with a trading company sponsored by a European money center bank which will service the Transaction ("Transaction Bank"). Such hold or reserved status of Funds is similar to the "blocking" of funds in that the Funds cannot be removed, transferred, withdrawn or hypothecated during the Reserved Period. However, unlike blocking, there is no underlying claim on said funds.

The Transaction takes place during the Reserved Period (see Summary of Transaction). Funds and all proceeds derived by the Company from the Transaction (including its pro rata share from any Joint Venture) will be utilized to first pay their Maximum Return. Such Maximum Return will be paid to the Investor within five international banking days after the end of the Reserved Period. Upon said payment to Investor, Investor's Units will be automatically redeemed and cancelled and Investor's Preferred Membership in the Company will be automatically terminated. No payment will be made by any Joint Venture or the Company to Common Members of the Company, to others, or for any costs whatsoever, in the respective Transaction until Investors have been paid their Maximum Return.

On a "best efforts" basis, the Company expects, but is unable to assure, that the Transaction will provide a substantial amount of profit. The actual amount of profit will remain uncertain and unknown until just prior to the execution of the Transaction contract; however, the profit is expected to be substantially greater than the amount required to achieve the Maximum Return for an Investor. All profit received by the Company will be allocated to the Investors (Preferred Members) until depleted or the Investors have received their Maximum Return. The remaining profit, if any, will be allocated to payment of Company costs and then to the Co-Sponsors (Common Members). Once an Investor has received his Maximum Return for a particular Transaction, his Units will be redeemed, his preferred membership in the Company represented by said Units will be terminated, and he will have no further claim to any profit or cash of the Company. Any consideration by an Investor to reinvest must be directed by the Co-Sponsors to a separate Transaction under the Offering.

USE OF PROCEEDS

The entire proceeds from the Investor will deposited into the Reserve Funds Account as part of the proposed transaction contemplated in this offering. See The Offering and Transaction Summary).

	Amount (000's Omitted)	
	Minimum	Maximum
USE OF INVESTMENT PROCEEDS – Deposited into Reserved Funds Account	$ 10,000	$ 50,000

MANAGEMENT

Management of the Company shall be exercised by Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and a Co-Sponsor of this offering. As Managing Member of the Company, Tower Venture LLC will execute policy set by the directors of the Company and pay the costs and liabilities of operating the Company. As manager, Tower Venture LLC will be responsible on behalf of the Company for the Company's compliance with all applicable federal and state statutes and regulations relating to the Company's formation, operation, and business. The duties and responsibilities of Tower Venture LLC as manager of the Company are set out in the Company's Operating Agreement, Exhibit I hereto. The Company's board of directors consists of all Common Members of the Company. (See Co-Sponsors/Directors).

Tower Venture LLC is managed and controlled by five directors: Philip A. Lehman, John L. Runft, Rick D. Shirrell, Steve C. Swanson, and James R. "Jack" Stites. All decisions made and all action taken by Tower Venture LLC must be upon unanimous vote of the above named directors, except that the vote of a single director can cause dissolution of Tower Venture LLC. Whereas the affairs of Tower Venture LLC will be managed by said five directors, certain of the directors shall have various, specific responsibilities related to such management. Philip A. Lehman serves as chairman of the board of directors and as President of Tower Venture LLC. John L. Runft serves as Secretary of Tower Venture LLC and as legal advisor. Independent of the offices of President and Secretary, all directors have been and will be assigned specific tasks regarding the management and operation of Tower Venture LLC.

The ownership of Tower Venture LLC resides in the five entities listed below:

1. S & P Business Trust, an Ohio business trust,
   managed by Philip A. Lehman and Sara A. Merrick;

2. Karlinmar Holding LLC, an Idaho limited liability company,
   owned by Runft family entities and,
   an Ohio business trust managed by John L. Runft;

1981); Member, President's Partners, Albertson College of Idaho (1982-1990; and several other civic organizations.

Mr. Runft has a B.A. degree in Political Science from Albertson College of Idaho in 1962 in Caldwell, Idaho and a J.D. degree from the University of Chicago Law School in 1965. While at the University of Chicago Law School, he was the recipient of a National Honor Scholarship and he earned the Jackson Prize in Constitutional law.

RICK D. SHIRRELL, age 41, is the founder and principal of Financial Consulting Group, a consulting services firm. He established his firm during 1990 to engage in providing financial and technical services to major corporations, smaller companies and individuals. He is currently a Director and Consultant for various organizations in finance and technology.

From 1984 to 1990, prior to establishing his own firm, Mr. Shirrell was a Senior Vice President of Landmark Bankshares Corporation, a multi-billion dollar regional bank holding company with headquarters in St. Louis. He was a member of the Executive Management Committee and his responsibilities included operations, systems, acquisitions, merger and corporate special projects. For a subsidiary, Landmark Services Corporation, he was Executive Vice President, Chief Operations Officer and Director responsible for all corporate functions and services of centralized operations, information technology, document processing, affiliate bank profitability, productivity, and bank acquisitions and mergers. From 1981 to 1984, Mr. Shirrell was a Senior Consultant for KPMG Peat Marwick in St. Louis. He is also a Director of Tower Venture LLC.

Mr. Shirrell has authored many articles on the topics of financial institution profitability, business strategies and financial industry trends. He is a member of the American Bankers Association, Financial Managers Society, and Southeast Missouri State University Alumni Board. He received a B.S. degree in Business Administration in 1979 from Southeast Missouri State University. In addition, he has completed graduate work at the School of Business of Washington University in St. Louis.

STEVE C. SWANSON, age 60, is the sole stockholder and President of Swanson & Co., Inc., an investment services firm. He is the Registered Principal and Registered Representative of the firm, which is a member of the National Association of Securities Dealer, Inc. (NASD). He is a major shareholder, Director and Officer of several small companies mostly in the real estate industry. He is also a Director of Tower Venture LLC.

Mr. Swanson established the company along with Swanson Investments, a sole proprietorship, during 1978 to engage in the field of investments and investment services. He is a sponsor/general partner in several private placement syndications. One of them was underwritten by Boettcher & Company, a regional investment banking firm with headquarters in Denver, Colorado. The others were underwritten by Swanson & Co., Inc. In addition, Mr. Swanson has provided financial and investment advisory and management services to many privately owned companies.

Prior to 1978, Mr. Swanson had an extensive, diversified, seventeen year financial services background which included eleven years in the practice of public accounting with local firms, international firms and as a sole practitioner. In 1971, he was a manager in the Boise/San Francisco office of Coopers & Lybrand (now PricewaterhouseCoopers). During the remaining

respective investments plus one hundred percent (100%) profit before any Funds or proceeds generated by the Transaction may distributed to the Common Members or applied to the Company's costs or debts. The Units are redeemed and the preferred membership is terminated upon payment to the Investor within five (5) international banking days after the Reserved Period. The accounting records of the Transaction shall be open to those Preferred Members (Investors) who provided investment proceeds utilized in the Transaction at any time, up to five (5) years after termination of said preferred membership.

(b) Common Membership. Common Membership is issued and limited only to the Co-Sponsors, Tower Venture LLC, an Ohio limited liability company, and Wellington Industries LLC, a Nevada limited liability company. Tower Venture LLC is the Manager of the Company, subject to the board of directors, and will bear the costs of operating the Company. As the common members, Tower Venture LLC and Wellington Industries LLC will be entitled to all Funds and/or proceeds generated by the Transaction after payment of the preferred members' priority interest, costs of operation, and other obligations of the Company.

3. Offering. This Offering to Investors is for the purchase of Units of preferred ownership interest with Preferred Membership in the Company for the price of One Thousand Dollars ($1,000) per Unit. This Offering is an exempt offering pursuant to Rule 506 under SEC Regulation D. A Form D will be filed with the SEC for the offering. This Offering is available only to "Accredited Investors" as defined pursuant to Rule 501 under SEC Regulation D. (See Offering)

4. Co-Sponsors. Tower Venture LLC, an Ohio limited liability company and Wellington Industries LLC, a Nevada limited liability company, are the Co-Sponsors of the Company and of the offering. (See Co-Sponsors).

5. Offeror. The Company is the Offeror of this private placement for Accredited Investors. (See Offering).

6. Issuer. The Company is the Issuer of this Offering.

7. Management. Tower Venture LLC is the Managing Member of the Company subject to policy direction by the Board of Directors. (See Management).

8. Underwriter. Tower Equities, Inc., 8141 N. Main Street, Dayton, Ohio 45415 is the Underwriter for this Offering. Tower Equities, Inc. is registered with the SEC and is a member of the National Association of Securities Dealers ("NASD") and is a registered investment advisor. (See Underwriter).

9. Joint Venture. The Company may form a Joint Venture with other companies managed by Tower Venture LLC in order to undertake a Transaction in the name of the Joint Venture so as to accrue the transactional advantages of the aggregation of the combined assets of member venturers. A chart depicting the potential organizational relationships involved in such Joint Ventures is attached as Exhibit J.

RISK FACTORS

The Investors, as Accredited Investors, are expected to consider, independent from this offering document, the risks associated with investing in a unique investment such as provided by this offering.

There are various kinds and degrees of risk associated with investing in this offering. One of the significant risks is the alternative use of money while the investment is in the Escrow account and the Reserved Funds Account and the possibility that the investment will be returned with no profit other than minimal Escrow account interest. The Company believes that there is minimal risk associated with preserving the investment while in the Reserved Funds Account. Those with the authority to execute the Transaction documents have been specifically instructed to not put the Funds (Reserved Funds Account) at risk.

There are, however, certain risks to the Investor involved in entering into a Transaction that:

- is outside of the United States.
  The Company believes that the Reserved Funds Account has minimal risk but any profit that is expected to result from the transaction has greater risk of not being realized by the Company. The Reserved Funds Account will be in the United States or, if appropriate for the Company, in Europe. The Transaction will occur in Europe.
- involves certain non-disclosed information.
  These Transactions are private transactions which involve confidential agency and other agreements, the terms of which the parties are typically reluctant to discuss publicly.
- involves certain agreements to be entered into after the offering period.
  The proposed Transaction contract will be presented to the Company only after the Reserved Funds Account has been established.
- involves an area of investing in which the terms and conditions are constantly changing.
  These Transactions are subject to rapidly changing economic conditions and the pressures of supply and demand of financial instruments and the investment capital.
- is dependent on the integrity, competence and judgment of the Co-Sponsors.
  The documents will be received and reviewed by the Managing Director of the Company and the final documents executed by Mr. Lehman as CEO and Mr. Runft as Secretary and Company transactional attorney. The Managing Director represents that the Company will comply with terms of this Offering.
- is dependent on individuals with limited direct experience with these kind of transactions and the third parties to the Transactions.
  The Members of the Managing Director, while very experienced businessmen and professionals, have limited experience relating to the type of transaction and the third parties to the expected Transaction.
- is affected by certain income tax issues as outlined in Tax Aspects.
  Any income will be taxable as ordinary income to U.S. income tax paying entities. Any loss will not be, for the most part, deductible except as an offset to either capital gains or passive income, depending on the tax treatment allowed pursuant to the Internal Revenue Code.

Any and all other significantly relevant, non-confidential information not included herein, will be made available by the Managing member, Tower Venture LLC, to all Investors at the proper time for making an adequate evaluation prior to investing. (See Suitability and Advisors).

UNDERWRITER

The Company has entered into an underwriting agreement with Tower Equities, Inc. (the Underwriter). This agreement is attached to the Offering as Exhibit B.

The Company has employed the Underwriter as its agent to sell, on a "best efforts" basis, Units as outlined on the cover page of this Offering. The Underwriter will receive no compensation. However, if the Managing Member of this Offering successfully completes a Transaction through this or other offerings, the Underwriter will be reimbursed for certain specified expenses incurred in this Offering.

Although the Underwriter will receive no compensation if it sells this Offering, an affiliated entity of the Underwriter will receive a substantial profit. Philip A. Lehman, the principal shareholder of the Underwriter, has indicated that he believes the Underwriter will directly or indirectly receive appropriate benefits upon the successful completion of a Transaction through this or other offerings. See Management and Conflicts of Interest.

The Underwriter, an Ohio corporation, is a member firm of the National Association of Securities Dealers, Inc. (NASD) and an Investment Adviser registered with the SEC. The Underwriter has approximately one hundred (100) licensed securities sales representatives located in thirty (30) states.

CO-SPONSORS/DIRECTORS

The Co-Sponsors of this Offering are two limited liability companies which are the Common Members and Directors of the Company.

One of the Co-Sponsors is Tower Venture LLC, an Ohio limited liability company, which is also the Managing Member of the Company. It was formed without capital as a service company for providing investment opportunities to investors similar to the investment opportunity presented in this offering. (See Management).

The other Co-Sponsor is Wellington Industries LLC, a Nevada limited liability company. It was formed without capital as a service company for providing certain expertise and management assistance services to the Company. Wellington Industries LLC will be responsible for providing investment, business, financial and insurance advice, contracts, and expertise to the Company and to assist Management in these and related areas.

Wellington Industries LLC is owned, managed and controlled by Dennis D. Manthe and Jonathan E. Manthe, managing director(s):

Dennis D. Manthe, age 57, is currently functioning as a business advisor to several companies. Prior to entering his consulting practice, Mr. Manthe has served as a founder, stockholder, board member, president or in a senior management capacity for several corporations. In these various capacities, he participated in or had bottom line responsibility in all areas of business including; finance, accounting administration, personnel recruiting, product

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DESCRIPTION OF TRANSACTION

A Reserved Funds Transaction ("Transaction") can take place only when the Reserved Funds Account contains investment proceeds on deposit in the sum of at least Ten Million Dollars ($10,000,000). Depending upon the number of Investors and as set forth in the Operating Agreement, the Managing Member of the Company may elect not to participate in a Transaction until the escrow account contains a specified sum in excess of One Million Dollars ($1,000,000) in order to compensate for any unanticipated withdrawal of investment proceeds by an Investor seeking a refund. When the investment proceeds in escrow reach the agreed level, the Managing Member of the Company will instruct the Underwriter to give the respective financial management company notice and proof that the requisite funds are on deposit ready to proceed with the Transaction. Such notice and proof of funds may be given by a Joint Venture of which the Company is a member. This notice and proof of funds will be accompanied by the Company's, or respectively the Joint Venture's, application to undertake the Transaction and the resolution of the Company or the Joint Venture authorizing the Transaction and other documents required by the financial management company. Upon approval of the application, the financial management company will instruct the Company or the Joint Venture, as the case maybe, to establish an interest bearing account ("Reserved Funds Account) in the name of the Company or the Joint Venture in a designated money center bank ("Reserved Funds Bank") in the United States or Europe, as the Company or the Joint Venture and the financial management company may determine. Upon the selection of the designated Reserved Funds Bank, the financial management company will make arrangements for the Company or the Joint Venture to establish the Reserved Funds Account at that bank.

Immediately upon the establishment of the Reserved Funds Account, the Company will break escrow and transfer the investment proceeds from the escrow account to the Reserved Funds Account. Upon receipt of confirmation of the deposit of the investment proceeds in the Reserved Funds Account, the financial management company will cause a draft of the Transaction contract to be sent Tower Venture LLC as the Managing Member of the Company or of the Joint Venture for review and approval.

The Transaction commences with the execution of the Transaction contract in Europe between the Managing Member on behalf of the Company or the Joint Venture, as the case may be, and a designated trading company authorized and sponsored by a money center bank ("Transaction Bank"). The fee arrangement between the Company and the financial management company will be incorporated into the Transaction contract. The execution of the Transaction contract takes place in the Transaction Bank between the Company or the Joint Venture represented by the Managing Member and the trading company in the presence of an officer of the Transaction Bank and possibly a representative of the financial management company. The trading company's sponsorship and authorization by the Transaction Bank will be confirmed and authenticated at the time of the execution of the Transaction contract. The Transaction provides that the Funds in the Reserved Funds Account shall be reserved (placed on hold) for a period of twenty (20) international banking days. The provisions of the Transaction contract whereby the Company or the Joint Venture agrees to the placing of the Funds on reserve status, or hold, will not create or cause to be created any security interest in, liens or claims against, or any other hypothecation of the Funds in the Reserved Funds Account. The effect of the reserved status (hold) on said Funds shall be that during said twenty (20) day period, said

UNDERWRITING AGREEMENT

THIS Underwriting Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and between Wellington LLC, an Ohio limited liability company (the "Company") and Tower Equities, Inc., an Ohio corporation (the "Underwriter").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15,1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum (Private Placement Memorandum for Accredited Investors) is attached hereto as Exhibit A.

C. The Company desires to retain the services of the Underwriter on an exclusive basis in the Offering for the purposes of supervising and controlling the solicitation and qualification of the Investors for the sale of Units, collection and deposit of sales proceeds into escrow and related underwriting functions.

D. The Underwriter is a member of the National Association of Securities Dealers, Inc. (NASD) and an SEC registered investment advisor. For consideration, the Underwriter is willing to provide underwriting services to the Company, including but not limited to, the supervision and control of the sale of Units, the solicitation and qualification of the Investors for the sale of Units, the execution of the subscription agreements, and the receipt and deposit of sales proceeds into escrow relative to the Offering.

NOW, THEREFORE, in consideration of the foregoing recitals and of the terms, conditions and covenants contained herein, the parties hereto agree as follows:

1. The Company hereby retains the Underwriter on an exclusive basis for the Offering to provide the hereinafter described underwriting services with respect to the Offering, and the Underwriter for the consideration hereinafter set forth agrees to provide said limited underwriting services.

2. The services to be provided by the Underwriter shall be exclusively for, and related to, the Offering and shall be comprised of the following services, including such services as are reasonably deemed necessary to accomplish said services:

(a) The Underwriter shall be the exclusive provider of the herein described underwriting services, however it is understood that Underwriter at its

THE COMPANY:	Wellington LLC 8141 N. Main Street Dayton, OH 45415 Attention: Philip A. Lehman
THE UNDERWRITER:	Tower Equities, Inc. 8141 N. Main Street Dayton, OH 45415 Attention: Philip A. Lehman

6. General Provisions.

A. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.

B. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.

C. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

D. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.

E. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.

F. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.

G. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.

H. Execution of Multiple Originals: Two original counterparts of this agreement shall be executed by these parties.

I. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

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EXHIBIT C

ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is entered into and made effective on and as of the 15th day of August, 1998 by and among Wellington LLC, an Ohio limited liability company (the "Company"); Tower Venture LLC, an Ohio limited liability company as the Managing Member of the Company ("Managing Member"); Tower Equities, Inc., an Ohio corporation (the "Underwriter"), and Star Bank N.A., Troy, Ohio (the "Bank").

RECITALS

A. The Company is the issuer and offeror of a private offering (the "Offering") consisting of units of preferred ownership interest with preferred membership ("Units") in the Company offered from August 15, 1998 through October 15, 1998. Pursuant to Regulation D of the U.S. Securities Act of 1933, this Offering is available only to "Accredited Investors" (the "Investors").

B. The amount of each Unit of the Offering shall be the sum of One Thousand Dollars ($1,000). A minimum of One Thousand Units per Investor is required. The minimum of the Offering is One Million Dollars ($1,000,000) and the maximum of the Offering is Fifty Million Dollars ($50,000,000). A copy of the Offering memorandum is attached hereto as Exhibit A.

C. Management of the Company is vested in Tower Venture LLC, which is the managing common member of the Company. All documents of the Company are signed on its behalf by Tower Venture LLC as the managing member, through its president, Philip A. Lehman.

D. The Units offered by the Company are sold through the Underwriter, Tower Equities, Inc. The Underwriter supervises and controls the solicitation and qualification of the Investors, execution of the subscription agreement, receipt and deposit of sales proceeds into escrow and performs other related underwriting functions. The Company and the Underwriter have entered into an Underwriting Agreement, a copy of which is attached hereto as Exhibit B.

E. In accordance with the requirements of the Offering, the Managing Member has determined that the Company will not commence operations unless and until subscriptions for the aggregate minimum of ten Units have been received and accepted by the Underwriter on behalf of the Company from subscribing Investors and the proceeds from said sales have been deposited in the escrow account with the Bank for an aggregate minimum of at least One Million Dollars ($1,000,000).

F. The Bank is willing to establish in the name of the Company a segregated interest bearing account for the escrow of Unit sales proceeds (the "Escrow Account") and to act as escrow agent for said escrowed funds in accordance with the terms of this Agreement.

G. In accordance with the terms of the Offering, the Company through the Managing Member has determined that Unit sales proceeds shall be held in the Escrow Account until the aggregate of said proceeds equals or exceeds the sum of One Million Dollars ($1,000,000) at which time the escrow may be broken and the proceeds thereof utilized by the Company for the purposes of the Offering. Such One Million Dollar aggregations of Unit sales proceeds may be repeated until the maximum of the Offering has been attained.

subscribing investors must be provided to the bank in conjunction with the request to disburse the net escrow proceeds. This procedure may be repeated for each such Ten Million Dollar aggregation of such proceeds in the Escrow Account until the aggregated maximum amount of the Offering has been reached.

7. If at any time during the term of the Offering a subscribing Investor makes written demand upon the Company or the Underwriter for the return of said Investor's investment, an amount equal to said Investor's respective investment plus his pro rata share of investment interest earned in the Escrow Account net his pro rata share of escrow fees to date shall be returned to him upon written notice thereof given to the Bank by the Managing Member on behalf of the Company and by the Underwriter. Upon receipt of such notice, the Bank shall distribute said net amount to said Investor at the Investor's address provided by the Managing Member or the Underwriter in the form of a bank cashier's check payable to said Investor.

8. If at the expiration of the term of the Offering (and any extensions thereof) the collected sales proceeds from the subscriptions of at least One Thousand (1,000) Units ($1,000,000) are not on deposit in the Escrow Account, the Company through the Managing Member and the Underwriter shall so notify the Bank in writing. Said notice to the Bank shall include the name and mailing address of each subscribing Investor for the purpose of the return of the escrowed funds. Upon receipt of said notice, the Bank shall as soon as possible thereafter cause cash payments to be distributed to each subscribing Investor at said mailing address provided by the Company or the Underwriter. Said cash payments to the subscribing Investors shall be the amount of the Investor's respective investment plus Investor's pro rata share of the investment interest earned by the Escrow Account, net his pro rata of escrow fees. Such distribution to the subscribing Investor shall be in the form of a bank cashier's check payable to said Investor.

9. The Bank may rely and shall be protected in acting upon any written or verbal notice, instruction or request to the Bank hereunder and believed by it to be genuine and believed by it to have been signed or made by the appropriate party pursuant to this Agreement.

10. The Bank shall not be liable for any action taken or not taken by it in good faith and believed by it to be authorized or within the rights of powers conferred upon it by this Agreement. With regard to any such action or omission, the Bank may consult with counsel of its own choice. Any action taken or suffered by the Bank hereunder in good faith shall be deemed to have been authorized by the Company and its Managing Member and by the Underwriter. The Bank is not bound by the terms of any other agreements between the parties, despite knowledge thereof, including the agreements attached hereto as Exhibits A and B.

11. The Bank may resign and be discharged from its duties hereunder by giving fifteen (15) days written notice of such resignation specifying the date when its resignation shall take effect.

12. The Company hereby agrees to pay the Bank reasonable compensation for services to be rendered hereunder and will pay or reimburse the Bank upon request for all expenses, disbursements and advances, including reasonable attorney fees incurred or made by it in

THE BANK: Star Bank N.A.
910 W. Main Street
Troy, OH 45373
Attention: Thomas J. Kleptz, V.P. Trust Officer

17. General Provisions.

a. Entire Agreement: This Agreement constitutes and is the entire agreement of the parties and supersedes all other prior understandings and/or agreements between the parties regarding the matters herein contained, whether verbal or written.
b. Assignment: No party to this agreement shall be entitled to assign its interest without the prior written approval of the other parties.
c. Execution of Other Documents: Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.
d. Binding Effect: This agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors, and assigns.
e. No Waiver of Future Breach: The failure of one party to insist upon strict performance or observance of this agreement shall not be a waiver of any future breach or of any terms or conditions of this agreement.
f. Attorney's Fees: In the event of any litigation arising out of this agreement, between any of the parties hereto, their heirs, personal representatives, agents, successors or assigns, the prevailing party shall be entitled to recover costs and attorney's fees.
g. Governing Law: This agreement shall be governed and interpreted by the laws of the State of Ohio and the venue therefore shall be the State of Ohio.
h. Execution of Multiple Originals: Four original counterparts of this agreement shall be executed by these parties.
i. Severability: In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

IN WITNESS WHEREOF, the parties hereto have executed and made effective this Agreement on the day and year first above written.

THE COMPANY: Wellington LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President
Of the Managing Member

MANAGING MEMBER: Tower Venture LLC
An Ohio Limited Liability Company

By _____
Philip A. Lehman, President

UNDERWRITER: Tower Equities, Inc.

By _____
Philip A. Lehman, Chairman

THE BANK: Star Bank N.A.

By _____
Thomas J. Kleptz, V.P. Trust Officer

EXHIBIT D
to Private Placement Memorandum
for Accredited Investors

WELLINGTON LLC

Purchaser Questionnaire

Wellington LLC
8141 N. Main St.
Dayton, OH 45415

Attention: Philip A. Lehman

Re: Wellington LLC

Gentlemen:

The following information is furnished to you in order for you to determine whether the undersigned is qualified to purchase Units of Preferred Ownership With Preferred Membership (Units) in the above referenced company pursuant to sections 4 (2) of the Securities Act of 1933, as amended (the "Act"), Regulation D promulgated thereunder, and appropriate provisions of applicable state securities laws. I understand that you will rely upon the following information for purposes of such determination, and that the Units will not be registered under the Act in reliance upon the exemption from registration provided by sections 4 (2) of the Act, Regulation D, and appropriate provisions of applicable state securities laws.

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. However, I agree that you may present this questionnaire to such parties as you deem appropriate if called upon to establish that the proposed offer and sale of the units is exempt from registration under the Act or meets the requirements of applicable state securities laws.

I hereby provide you with the following representations and information:

1. Name: _____

2. Residence Address & Telephone No: _____

3. Mailing Address: _____

4. Employer & Position: _____

5. Business Address & Telephone No: _____

6. Business or Professional Education & Degree: _____

7. Prior Employment (5 Years):

Employer	Nature of Duties	Dates of Employment

8. Prior Investments of Purchaser:

	Amount (Cumulative)		
Capital Stock	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000 _____	$1,000,000_____
Bonds	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000_____	$1,000,000_____
Other	Up to	$50,000 to	Over
None_____	$50,000_____	$1,000,000_____	$1,000,000_____

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10. Financial Information:

(a) I represent that my individual net worth (exclusive of home, home furnishings and personal automobiles) is in excess of $_____

(b) I represent that my individual net worth including home, home furnishings and personal automobiles is in excess of $_____

(c) I represent that my individual joint gross income was in excess of:

1996		$_____
1997		$_____
1998 (estimate)		$_____

(d) I have such knowledge and experience in financial; tax and business matters that I am capable of utilizing the information made available to me in connection with the offering of the Notes to evaluate the merits and risks of an investment in the Notes, and to make an informed investment decision with respect to the Notes. I do not desire to utilize a Purchaser Representative in connection with evaluating such merits and risks. I understand, however, that the Company may request that I use a Purchaser Representative.

Please Initial Here _____

11. Except as indicated below, any purchases of the units will be solely for my account, and not for the account of any other person or with a view to any resale or distribution thereof.

12. I represent to you that the information contained herein is complete and accurate and may be relied upon by you. I understand that a false representation may constitute a violation of law, and that any person who suffers damage as a result of a false representation may have a claim against me for damages. I will notify you immediately of any material change in any of such information occurring prior to the closing of the purchase of units, if any, by me.

_____
Name (Please Print)

_____
Signature

Executed at _____
(City) (State)

on this _____day of _____, 19___

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Exhibit D, p. 3

EXHIBIT E

SUBSCRIPTION AGREEMENT
FOR UNITS OF WELLINGTON LLC
AN OHIO LIMITED LIABILITY COMPANY

The undersigned hereby agrees to purchase ____ units of Preferred Ownership Interest With Preferred Membership ("Units") in Wellington LLC, an Ohio limited liability company (the "Company"), at the price of $_____per Unit for an aggregate subscription of $_____ . The undersigned agrees that concurrently with signing this Subscription Agreement, he will pay the purchase price for all Units so subscribed by check for the purchase price to be held in escrow by Tower Venture LLC, (the "Managing Member") until subscriptions have been accepted for Units providing sufficient funds to commence Company operations, or if subscription occurs after such time, until _____ or any earlier release of funds to the company pursuant to the Company's Operating Agreement.

The undersigned hereby represents and warrants to the Managing Member, the Company and other investors that:

(a) I have read and understand the Private Placement Memorandum dated August 15, 1998, pursuant to which the Units are offered, the Certificate of ownership, Articles of Organization of the Company, the Operating Agreement of the Company, and the Certification of Adoption and Ratification of the Operating Agreement prior to my execution of this Subscription Agreement;

(b) I recognize the speculative nature of this investment;

(c) Disregarding my investment in the Company, I am one of the following: (1) Any bank, savings and loan association, broker or dealer, insurance company, investment company, business development company, Small Business Investment Company, and some employee benefit plans. (2) Any private business development company. (3) Any organization, corporation, business trust or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5 million. (4) Any director, executive officer or general partner of the issuer or of a general partner of the issuer. (5) Any person whose individual net worth, or joint net worth with spouse, at time of purchase exceeds $1 million. (6) Any person who had an annual individual income in excess of $200,000 in the past two years or annual joint income with spouse in excess of $300,000 in those years and has a reasonable expectation of reaching the same income level in the current year. (7) Any trust, with total assets in excess of $5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person. (8) Any entity in which all of the equity owners are accredited investors.

(d) I have reviewed the documents and information relating to the transaction and have substantial experience in investments and business matters and recognize the merits, disadvantages and risks of an investment in this nature, and/or business, tax and/or legal advisors have reviewed the documents and information relating to this transaction and they have advised me as to the merits, disadvantages and risks of this offering.

(e) I acknowledge that the Units to be sold in this offering have not been registered under the Securities Act of 1933 in reliance upon the exemption provided by Section 4 (2) of said Act.

(f) I understand that certain precautions are necessary to ensure that no Units are resold in violation of Section 4 (2) and that the Managing Member will make the necessary notations in the records of the Company to prevent the transfer of any Units in violation of the above restrictions;

(g) I understand that (i) the Units are unregistered securities and can be resold by a purchaser only if he registers the Units under the Securities Act of 1933 or obtains an opinion of counsel satisfactory to the Managing Member that registration is not required , and (ii) this restriction on transfer is in addition to the restrictions in Section 4 (2) stated above.

(h) I am acquiring the Units that I have committed to purchase for my own account as principal for investment purposes only and without a view to the resale, transfer or distribution thereof, and I will not offer to sell or

EXHIBIT F

MEMBER CERTIFICATION OF ADOPTION AND
RATIFICATION OF OPERATING AGREEMENT

THE UNDERSIGNED, being Members of Wellington LLC, An Ohio Limited Liability Company, (the "Company") evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by Members on the date indicated.

COMMON MEMBERSHIP:

Tower Venture LLC, an Ohio Limited Liability Company

By _____
Philip A. Lehman, Managing Director

Date: _____

Wellington Industries LLC, a Nevada Limited Liability Company

By _____
Dennis D. Manthe, Managing Director

Date: _____

EFERRED MEMBERS:

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

Name _____ Date _____
Print name:

Address _____
_____

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EXHIBIT G

CERTIFICATE NO. _____ _____ Preferred Units
(fully paid, redeemable)

CERTIFICATE OF OWNERSHIP

OF PREFERRED UNITS OF
WELLINGTON LLC

THIS CERTIFIES that _____ is the registered Owner of _____( ) Preferred Units of Ownership with membership in _____LLC an Ohio Limited Liability Company, having two classes of membership: Preferred and Common.

The Preferred Units represented by this certificate are not transferable, but are redeemable by the Owner or the Company. Redemption of Preferred Units shall be by the payment of money by the Company to the Owner as provided in the Operating Agreement of the Company. Upon redemption of any Preferred Units, the Preferred Membership in the Company represented by said redeemed Preferred Units shall be automatically terminated.

IN WITNESS WHEREOF, the Company has caused this CERTIFICATE to be issued and signed by The President of its duly authorized Managing Member, this _____day of _____, 1998.

_____LLC

By _____
Philip A. Lehman, President of
Tower Venture LLC
Managing Member of Wellington LLC

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ARTICLES OF ORGANIZATION

WELLINGTON LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

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EXHIBIT I

OPERATING AGREEMENT
OF

WELLINGTON LLC

An Ohio Limited Liability Company

8141 N. MAIN STREET
DAYTON, OHIO 45415

THE PREFERRED UNITS HEREIN DESCRIBED AND REPRESENTED AND ISSUED BY THIS LIMITED LIABILITY COMPANY (the "COMPANY") UNDER AND PURSUANT TO THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "1933 ACT") OR ANY APPLICABLE STATE SECURITIES LAWS AND ARE AVAILABLE FOR PURCHASE ONLY TO "ACCREDITED INVESTORS" WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE 1933 ACT, AS AMENDED. SAID PREFERRED UNITS ARE BEING OFFERED TO INVESTORS BY THE COMPANY PURSUANT TO A PRIVATE PLACEMENT MEMORANDUM FOR ACCREDITED INVESTORS ("OFFERING MEMORANDUM") WHICH IS ATTACHED TO THIS OPERATING AGREEMENT AND BY THIS REFERENCE MADE A PART HEREOF. THIS OFFERING HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES NOR BY ANY STATE SECURITIES AGENCY. NEITHER THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY HAVE PASSED UPON THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE OFFERING. THE PREFERRED UNITS SOLD PURSUANT TO THE OFFERING HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT IN RELIANCE UPON THE EXEMPTION FROM REGISTRATION PROVIDED BY SECTION 4(2) OF THE ACT AND PURSUANT TO RULE 506 UNDER REGULATION D OF THE U.S. SECURITIES AND EXCHANGE COMMISSION.

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ARTICLE VIII NOTICE

8.1 Notice
8.2 Waiver of Notice

ARTICLE IX GENERAL PROVISIONS

9.1 Entire Agreement
9.2 Assignment
9.3 Execution of Other Documents
9.4 Binding Effect
9.5 No Waiver of Future Breach
9.6 Attorney's Fees
9.7 Governing Law
9.8 Execution of Multiple Originals
9.9 Severability

ARTICLE X. AMENDMENTS .

10.0 Amendments

RATIFICATION AND EXECUTION

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(c) A copy of all written contracts and agreements, including copies of any prior agreements no longer in effect.

(d) A copy of all tax returns and financial statements for the last three years of operation.

(e) A record of contributions from and distributions to each Member by the Company as required under Ohio Revised Code Section 1705.28.

9. Amendment of Articles. These articles may be amended only by a majority in interest vote of each class of membership.

Dated this 15th day of August, 1998.

IN WITNESS WHEREOF the Undersigned Common Members have executed these Articles of Organization on the date above written:

Tower Venture LLC

By: _____
Philip A. Lehman, President of Tower Venture LLC

Wellington Industries LLC

By: _____
Dennis D. Manthe, Managing Director of Wellington Industries LLC

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2.3 Operating Agreement. This Operating Agreement as maintained in the records of the Company constitutes the total and complete Operating Agreement of the Company superceding and excluding all other agreements, memoranda, understandings except the Offering Memorandum, which is deemed to be part of this Operating Agreement.

ARTICLE III
MEMBERSHIP

3.1 Two Classes of Membership. There are two classes of membership in the Company:

(a) Common Membership
(b) Preferred Membership

3.2 Common Membership.

(a) The Company will issue one hundred (100) Units of Common ownership interest in the Company ("Common Units"). No certificates shall be issued for the common membership class or for Common Units. An owner of at least one (1) Common Unit is a member of the common membership class.

(b) The distribution of issued Common Units shall be set forth in this Operating Agreement and kept current by amendment, as the case may be. Accordingly, Common Units of the Company have been issued and distributed as follows:

Tower Venture LLC	96 Common Units
Wellington Industries LLC	4 Common Units
Total	100 Common Units

(c) Each Common Member shall be entitled to the number of votes equal to the number of Common Units owned by him in all matters where the common membership is entitled to vote.

(d) The Common Members shall constitute the Board of Directors of the Company, which shall direct and manage the affairs and business of the Company. (See Article IV Management).

(e) The Common Members shall be entitled to all funds and/or proceeds generated by any Transaction after payment of the Preferred Members priority interest, costs of operation and other obligations of the Company as set forth in the Offering Memorandum.

(f) Persons holding common membership may also hold preferred membership and any contribution to capital made by such persons shall be made as Preferred Members and certificates for Units of Preferred Ownership Interest will be awarded accordingly to such person as Preferred members.

3.3 Preferred Membership.

(a) Preferred Members shall consist of those persons who contribute to the capital of the Company (invest) for which they shall receive certificates for Units of Preferred Ownership Interest ("Preferred Units") which automatically vests them with Preferred Membership.

(b) Although Preferred Members do not participate in the direction and management of the affairs and business of the Company, the affirmative vote of a majority of the Preferred Units of the Preferred Membership and of the Common Membership must be obtained in order to amend the Articles of Organization, or this Operating

IV
MANAGEMENT

4.1 Board of Directors.

(a) The business and affairs of the Company shall be directed and managed by the Board of Directors composed of the Common Members of the Company. Each Common Member shall be a Director. Each Director shall have one (1) vote in all matters determined or acted upon by the Board of Directors, regardless of the number of Common Units owned by that Director as a Common Member. All references in the Offering or elsewhere to the vestment of the direction and management of the Company in the Common Members shall mean and be interpreted to mean the Common Members in their capacity as Directors of the Company acting as the Board of Directors of the Company.

(b) The Board of Directors shall appoint a Common Member of the Company to be the Managing Member of the Company. Said appointment shall be set forth and declared in this Operating Agreement.

4.2 Managing Member.

(a) The Board of Directors has appointed, and does hereby appoint, Tower Venture LLC, an Ohio limited liability company, which is a Common Member of the Company and Co-Sponsor of the Offering, to be the Managing Member of the Company. The Managing Member will be the Chief Executive Officer (CEO) of the Company responsible for the general overall supervision of the business and affairs of the Company subject to policy direction by the Board of Directors.

(b) When present, the Managing Member will preside at all meetings of the Board of Directors and meetings of Members. The Managing Member may sign, on behalf of the Company, deeds, mortgages, bonds, contracts or other instruments which have been authorized by the Board of Directors or the appropriate class or classes of members to be executed, except in cases where the signing or execution is expressly authorized or delegated by the Board of Directors or by this Operating Agreement or by Statute to some other Officer or Agent of the Company; and, in general, Managing Member will perform all duties as may be prescribed by the Board of Directors from time to time.

(c) Since the Managing Member is an entity, the Chief Executive Officer of said Managing Member entity shall be the individual who acts on behalf of the Managing Member as CEO of the Company.

(d) The Managing Member will manage the day-to-day affairs and business of the Company and will execute direction and policy set by the Board of Directors of the Company. The Managing Member will be responsible on behalf of the Company for the Company's compliance with all federal and state statutes and regulations relating to the Company's formation, operation and business. Except for situations in which the approval of the Members is expressly required by the Articles of Organization or this Operating Agreement, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and assets of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business, subject to direction and the policies of the Board of Directors.

(e) The Managing Member shall have the authority to compromise any obligation of a Preferred Member to make a contribution for any reason whatsoever as the Managing Member deems to be in the best interests of the Company.

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subject to the priority interest of the Preferred Members in the assets and income of the Company.

(b) Notwithstanding any other provision of this Operating Agreement or of the Offering Memorandum, no Director or Managing Member shall be liable to any Member of the Company with respect to any act performed or neglected to be performed in good faith and in a manner which such Director or Managing Member believed to be necessary or appropriate in connection with the ordinary and proper conduct of the Company's business or the preservation of its property, and consistent with the provisions of the Articles of Organization and this Operating Agreement.

(c) The Company shall indemnify the Directors and the Managing Member for and hold them harmless from any and all liability, whether civil or criminal, and any loss, damage or expense, including reasonable attorney's fees, incurred in connection with the ordinary and proper conduct of the Company's business and the preservation of its business and property; provided that the Director or Managing Member to be indemnified acted in good faith and in a manner such Director or Managing Member believed to be consistent with the provision of the Articles of Organization, this Operating Agreement and the Offering Memorandum; provided, further, that the funding of any such indemnification shall not in any way jeopardize or impact the funding of the Preferred Members' economic interests.

(d) The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Member of the Company, Director, Officer, employee or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding, if the Common Members determine that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgement, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, will not in itself create a presumption that the person did or did not act in good faith and in a manner which he reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(e) The Company will fund the indemnification obligations provided by this Section 4.6 in the manner and to the extent the Common Members may from time to time deem proper; provided, further, that such funding will not jeopardize the economic interests of the Preferred Members.

4.7 Confidential Information.

(a) Proprietary Information. Each Member of the Company hereby agrees that, for the term of this Agreement and for a period of three (3) years after the termination of this Agreement, the financial information relating to the Offering, including, but not limited to, information obtained from Preferred Members regarding their status as Accredited Investors, funds invested, the escrow account established pursuant to the Offering, and any and all Transactions engaged in by the

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5.4 Common Membership Interests. Common Members will be entitled to all Funds in the Reserved Funds Account and/or proceeds generated by each and every Transaction after payment in full of the Preferred Members' priority interests, costs of operation, and other obligations of the Company. All such distributions shall be made either by bank cashier's checks or by wire transfer to the accounts designated by the respective Common Members to the Managing Member.

VI
FISCAL MATTERS

6.1 Fiscal Year. The fiscal year of the Company will begin on the first day of January and end on the last day of December each year, unless otherwise determined by resolution of the Members.

6.2 Income Tax Matters. The Company shall elect to be taxed on income as a partnership and on a cash basis.

6.3 Deposits. All funds of the Company will be deposited from time to time to the credit of the Company in the banks, trust companies or other depositories as the Managing Member may select, subject to change by resolution of the Board of Directors.

6.4 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Company will be signed by the Managing Member.

6.5 Contracts. The Managing Member shall have the authority to enter into contracts and execute instruments in the name of the Company in relation to transactions approved by the Common Members and in relation to operation of the Company.

6.6 Accountant. An Accountant may be selected from time to time by the Managing Member to perform such tax and accounting services as may be required from time to time. The accountant may be removed by the Managing Member without assigning any cause.

6.7 Legal Counsel. One or more Attorney(s) at Law may be selected from time to time by the Managing Member to review the legal affairs of the Company and to perform other services as may be required and to report to the Managing Member with respect to those services. The Legal Counsel may be removed by the Managing Member without assigning the cause.

ARTICLE VII
BOOKS AND RECORDS

7.1 Books and Records. The books and records of the Company must be kept at the principal office of the Company or at other places, within or without the State of Ohio, as the Managing Member or Members from time to time determine.

7.2 Right of Inspection. Any Member of record will have the right to examine and make copies, at any reasonable time or times for all purpose, the books and records of account, minutes and records of Members. The inspection may be made by any agent or attorney of the Member. On the written request of any Member, the Company must mail to such Member its most recent financial statements, showing in reasonable detail its assets and liabilities and the results of its operations.

ACC00399
S-3439A

9.9 Severability In the event any provision or article of this agreement conflicts with the applicable law, such conflicts shall not affect the provisions of this agreement which can be given effect without the conflicting provision.

ARTICLE X
AMENDMENTS

10.0 Amendments. This Operating Agreement may be altered, amended, restated, or repealed and a new Operating Agreement may be adopted by the affirmative majority in interest vote of both classes of Membership, after notice and opportunity for discussion of the proposed alteration, amendment, restatement, or repeal.

CERTIFICATION

THE UNDERSIGNED, being all of the Members of Wellington LLC, An Ohio Limited Liability Company, evidence their adoption and ratification of the foregoing Operating Agreement of the Company.

EXECUTED by each Member on the Date indicated.

COMMON MEMBERS:

Tower Venture LLC

By:_____
Philip A. Lehman, President

Date:_____

Wellington Industries LLC

By:_____
Dennis D. Manthe, Managing Director

Date: _____

Preferred Members:

_____

Date:_____

_____

Date:_____

_____

Date:_____

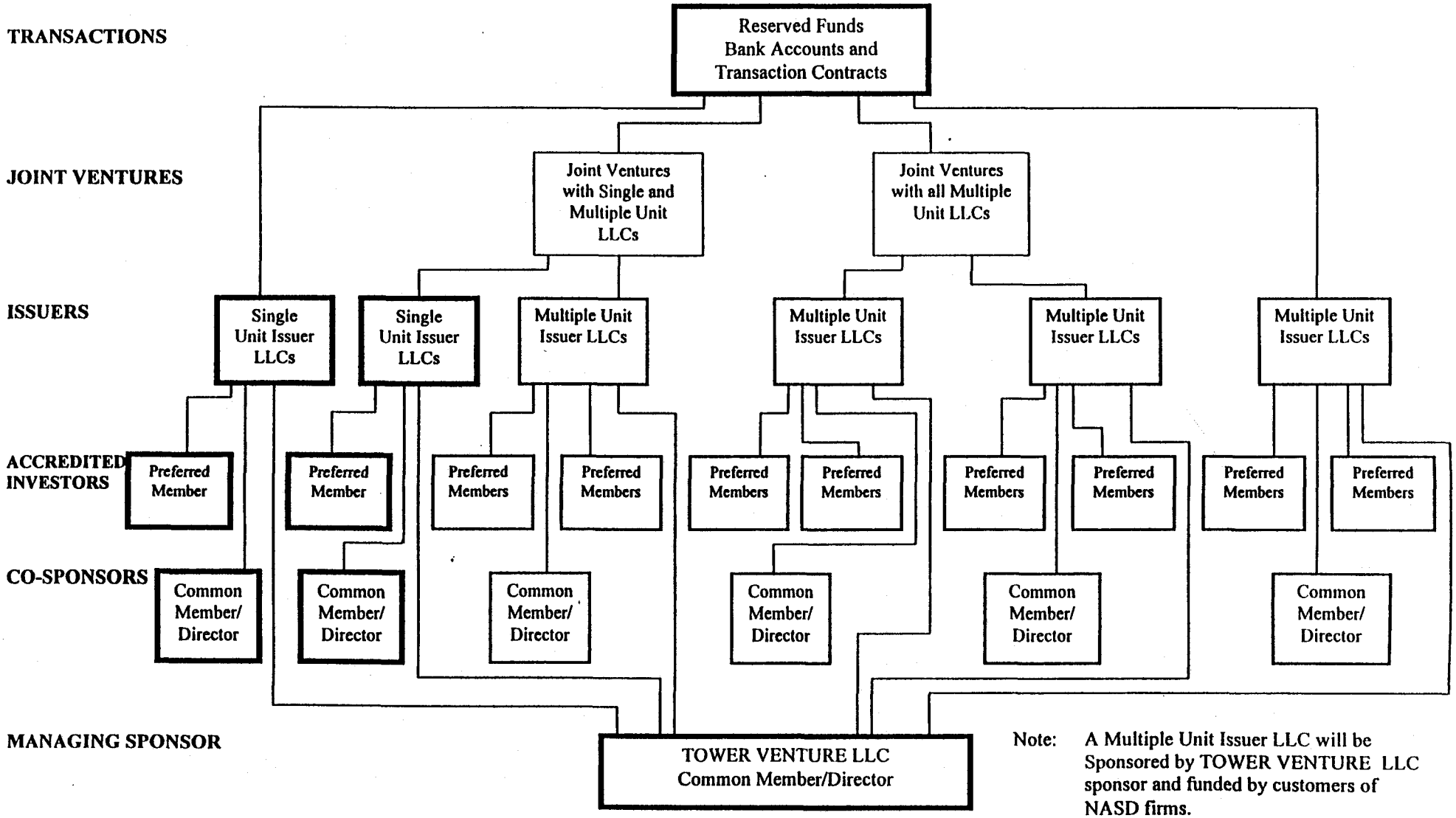
_____

Date:_____

ACC00401
S-3439A

EXHIBIT J

CHART OF ORGANIZATIONAL RELATIONS



Note: A Multiple Unit Issuer LLC will be Sponsored by TOWER VENTURE LLC sponsor and funded by customers of NASD firms.

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Confidential Information

STATE OF OHIO)
)
COUNTY OF MONTGOMERY)

AFFIDAVIT OF SARA A. MERRICK

I, Sara A. Merrick, being first duly sworn, hereby states as follows:

1. I am theVice-President of Tower Equities, Inc., ("Tower"), an NASD registered broker-dealer;

2. In response to Items 1 and 2 of the Information Request of the Arizona Corporations Commission (the "Request"), attached please find a complete list of investors for all four offerings with telephone numbers. This is the only information, in the custody and possession of Tower, responsive to Items 1 and 2 of the Request;

3. In response to Item 3 of the Request, attached please find a copy of the private placement memorandum of Lifetime Assets, LLC;

4. In response to Item 4 of the Request, Heath Lehman is the biological son of Philip A. Lehman ("Lehman");

5. In response to Item 5 of the Request, Kenneth R. Wiseman ("Wiseman") is the chief financial officer of Tower. There are no other business relationships or personal relationships between Wiseman and Lehman;

6. In response to Item 6 of the Request, Heath Lehman has no beneficial interest or management responsibilities with Tower as of May 1, 2001;

7. In response to Item 7 of the Request, the ownership interest of Wiseman is 16.6% of Tower Investment Services; Inc. ("TIS"), the holding company for Tower Equities. His management responsibilities include that of a Chief Financial Officer, namely supervision of the accounting department, preparation of net capital computations and other financial matters;

8. In response to Item 8 of the Request, there are no business or personal relationships between the four listed representatives and Lehman. They are each, individually, registered representatives of Tower, the broker-dealer;

EXHIBIT
S-24
Adm.

9. In response to Item 9 of the Request, the only individuals associated in the manner mentioned, as of February 5, 2001, with Tower, TIS or S & P Business Trust are as follows:

   a. Sara A. Merrick, 100% owner of S & P Business Trust that currently owns 50% of TIS. She is the wife of Lehman;
   b. Gregory L Merrick, owner of 16.6 % f TIS. He is the stepson of Lehman;
   c. Heath A. Lehman, no longer owns any interest in TIS, but as of February 5, 2001 owned 16.6% of TIS. He is the biological son of Lehman. His ownership interest in Tower was returned to the company and has not yet been re-issued.

10. In response to Item 10 of the Request, please see Item 9 above;

11. In response to Item 12 of the Request, I have attached the account statements of the Arizona clients of Tower. However, for equity trades, Tower's does not carry its own accounts but clears through a clearing firm. Therefore, these customer records may be obtained, for the time period from January 1997 to July 2000 from Security Service Network, Inc, an NASD registered broker-dealer, and from July 2000 to present from Pershing/Westminster Financial, Inc., an NASD registered broker-dealer, from January 1997 to present Charles Schwab Company, Inc. an NASD registered broker-dealer.

12. In response to Item 14 of the Request, the arrangement between Tower and the owner of the building in which Tower is located are as follows: The owner of the property at 8141 N. Main Street, Dayton, Ohio, Cundiff Investments, LLC leases space to Tower for the sum of $5000 per month, in rent, for 5200 square feet of space with utilities furnished on a month to month basis. Cundiff is wholly-owned by Sara A. Merrick.

FURTHER AFFIANT SAYETH NOT.

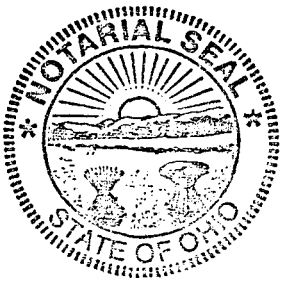
Sara A Merrick

Sara A. Merrick

SUBSCRIBED AND SWORN to
before me this 15 day of
May, 2001.

Regina Biddlestone

Regina Biddlestone, Notary Public
My Commission expires August 3, 2003



TOWER VENTURE 97-A

CLIENT NAME	ADDRESS	PHONE	AMOUNT
L. Palumbo, GM - Lenjen Trust	[redacted] Lewiston, NY 14092	[redacted]	$ 125,000.00
Louis J. Aguglia	[redacted] West Amhurst, NY 14228	[redacted]	$ 50,000.00
Robert H. Matheis	[redacted] Lockport, NY 14094	[redacted]	75,000.00
Naomi Matheis	[redacted] Lockport, NY 14094	[redacted]	50,000.00
David M. Siwicki	[redacted] East Greenwich, RI 02817	[redacted]	50,000.00
Robert L. Donohue	[redacted] Watseka, IL 60970	[redacted]	100,000.00
Al Sinal, GM - Scaramouche Trust	[redacted] Williamsville, NY 14221	[redacted]	$ 150,000.00
Alfonse Muto, GM - Rosal Trust	[redacted] Lewiston, NY 14092	[redacted]	500,000.00
James B. McConville Doris L. McConville	[redacted] Marietta, GA 30067	[redacted]	$ 25,000.00
David H. Kindred, Director Yaweh Asset Management Co.	[redacted] Morton, IL 61550	[redacted]	$ 100,000.00
William N. Anderson	[redacted] Grand Rapids, MI 49505	[redacted]	$ 25,000.00
Malcolm B. Rutledge The Rutledge Family Trust	[redacted] Marietta, GA 30067	[redacted]	$ 25,000.00
Gary E. Wilcox Debra L. Wilcox	[redacted] Niagara Falls, NY 14304	[redacted]	$ 50,000.00
Steven J. Welbourn	[redacted] Chicago, IL 60643	[redacted]	$ 50,000.00
Barbara A. Keable	[redacted] Sleepy Hollow, IL 60118	[redacted]	$ 100,000.00
Patrick A. Calendo, Sr.	[redacted] Genoa, IL 60135	[redacted]	$ 25,000.00
Ronald J. Keable	[redacted] Sleepy Hollow, IL 60118	[redacted]	$ 100,000.00
Kenneth D. Sauerberg Marilyn S. Sauerberg	[redacted] Des Plaines, IL 60016	[redacted]	$ 50,000.00
Anthony P. Dimino	[redacted] Lewiston, NY 14092	[redacted]	$ 25,000.00
Robert P. Harper Christie A. Harper	[redacted] Grand Island, NY 14072	[redacted]	$ 25,000.00
Dr. P.K. Parikh Trustee of Money Purchase Plan	[redacted] Niagara Falls, NY 14304	[redacted]	$ 75,000.00
Andrew R. Wenk	[redacted] West Seneca, NY 14224	[redacted]	$ 25,000.00

EXHIBIT A

TOWER VENTURE 97-A

CLIENT NAME	ADDRESS	PHONE	AMOUNT
H.G. Richardson Charitable Trust	[redacted] Loveland, OH 45140	[redacted]	$ 100,000.00
Richard B. Komm	[redacted] Amherst, NY 14228	[redacted]	$ 50,000.00
Wilburn N. Sproul Nis-Son Asset Management Co.	[redacted] Las Vegas, NV 89119	[redacted]	$ 50,000.00
Rudolf G.K. Strobel	[redacted] Cincinnati, OH 45247	[redacted]	$ 2,000,000.00
Deborah O. Court	[redacted] Bloomfield Hills, MI 48304	[redacted]	$ 25,000.00
Louis A. Trotta P.I. Asset Management Co.	[redacted] Cincinnati, OH 45243	[redacted]	$ 50,000.00
Brenda K. Klockenga Kim Klockenga	[redacted] Crystal Lake, IL 60014	[redacted]	$ 50,000.00
Daniel Brian Cobb	[redacted] Waterford Township, MI 48329	[redacted]	$ 25,000.00
Toledo Surigal Assoc. Defined Benefit Pension Plan	[redacted] Sylvania, OH 43560	[redacted]	$ 125,000.00
Robert W. Gruen Jane S. Gruen	[redacted] Marietta, GA 30062-1779	[redacted]	$ 25,000.00
John K. Kelly Irene Kelly	[redacted] Milford, MI 48380	[redacted]	$ 75,000.00
John H. Smith	[redacted] Groose Pointe Woods, MI 48236	[redacted]	$ 50,000.00
George Albert Opitz	[redacted] Troy, MI 48098	[redacted]	$ 25,000.00
Louis E. Flohr Marlene J. Flohr	[redacted] Chana, IL 61015		$ 200,000.00

TOWER VENTURE 98

CLIENT NAME	ADDRESS	PHONE	AMOUNT
Baylor/Gavic	[redacted]		
Philip Anibal	[redacted] Fenton, MI 48430	[redacted]	$ 200,000.00
Alti Lauderdale Sterling Trust Co.	[redacted] Springfield, MO 65809	[redacted]	$ 256,000.00
Charlie Lauderdale Sterling Trust Co.	[redacted] Springfield, MO 65809	[redacted]	$ 44,000.00
Joe M. Montesi, Sr.	[redacted] Memphis, TN 38111	[redacted]	$ 100,000.00
Louis Flohr Marlene Flohr	[redacted] Chana, IL 61015	[redacted]	$1,000,000.00
Bruce Yates LSJ Alliance LLC	[redacted] Laruna Hills, CA 92653	[redacted]	$ 100,000.00
Steven J. Welbourn	[redacted] Chicago, IL 60643	[redacted]	$100,000.00
Donald Gregornik	[redacted] Des Plaines, IL 60016	[redacted]	$ 100,000.00
Lifetime Assets	[redacted]		
James McConville Doris McConville	[redacted] Marietta, GA 30067	[redacted]	$ 95,000.00
Malcolm Rutledge Sterling Trust Co.	[redacted] Marietta, GA 30067	[redacted]	$ 275,000.00
David K. Straight	[redacted] Alpharetta, GA 30004	[redacted]	$ 100,000.00
Mary Williams Larry Williams	[redacted] Whitesburg, GA 30185	[redacted]	$ 300,000.00
Wilton & Clara Marie Vaughn Revocable Trust	[redacted] Marietta, GA 30067	[redacted]	$ 100,000.00
Felice Zonzini Lea Zonzini	[redacted] Farmington Hills, MI 48331	[redacted]	$ 100,000.00
Samuel B. Cole	[redacted] Easley, SC 29642	[redacted]	$ 100,000.00
Douglas F. Patrick	[redacted] Greenville, SC 29615	[redacted]	$ 100,000.00
John A Hagins, Jr.	[redacted] Greenville, SC 29607	[redacted]	$ 300,000.00
William G. Hagler	[redacted] Greenville, SC 29607	[redacted]	$ 100,000.00
Edward A. Johnson UTAH Skyline Enterprises, LLC	[redacted] Provo, UT 84604	[redacted]	$ 200,000.00
Eugene C. Covington, Jr.	[redacted] Greenville, SC 29609	[redacted]	$ 100,000.00
Randolph G. Roulier	[redacted] Sylvania, OH 43560	[redacted]	$ 200,000.00
Terry E. Richardson, Jr.	[redacted] Barnwell, SC 29812	[redacted]	$ 300,000.00
Terry Phillip Harvey	[redacted] Columbia, KY 42728	[redacted]	$ 100,000.00

TOWER VENTURE 98

CLIENT NAME	ADDRESS	PHONE	AMOUNT
John A. Graham Graham Charitable Trust	[redacted] Hillsboro, FL 33062	[redacted]	$ 100,000.00
Joseph Bruno Sterling Trust Co.	[redacted] Marietta, GA 30066	[redacted]	$ 100,000.00
Joseph Bruno Gladys Bruno	[redacted] Marietta, GA 30066	[redacted]	$ 50,000.00
Robert & Jane Gruen Revocable Trust	[redacted] Marietta, GA 30062	[redacted]	$ 180,000.00
Robert Gruen IRA	[redacted] Marietta, GA 30062	[redacted]	$ 200,000.00
Romula Parungo Sterling Trust Co.	[redacted] Conyers, GA 30094	[redacted]	$ 53,000.00
Rolmulo Parungo Josefina Parungo	[redacted] Conyers, GA 30094	[redacted]	$ 24,000.00
Josefina Parungo Sterling Trust Co.	[redacted] Conyers, GA 30094	[redacted]	$ 23,000.00
Homer Richardson H.G. Richardson Charitable Trust	[redacted] Loveland, OH 45140	[redacted]	$ 100,000.00
Wellington	[redacted]		
Oscar D. Corpuz DuCorp Inestar LLC	[redacted] Northfield, IL 60093	[redacted]	$ 100,000.00
Joom Yoon	[redacted] LaCrosse, WI 54601	[redacted]	$ 500,000.00

Brian Diltz
[redacted]
Sierra Vista, AZ 85635

James Hays
[redacted]
Mesa, AZ 85208

Anthony Masella
[redacted]
Glendale, AZ 85308

Susan Masella
[redacted]
Glendale, AZ 85308

FBO Amy Marie Sauer
[redacted]
Cave Creek, AZ 85331-5016

FBO Katie Louise Sauer
[redacted]
Cave Creek, AZ 85331-5016

Mary Shuff
[redacted]
Sun City, AZ 85351

Paul Shuff
[redacted]
Sun City, AZ 85351-2559

Wanda Spradlin
[redacted]
Mesa, AZ 85213-8683

Pages 8-21 Contain Confidential Information

EXHIBIT NOS.

S-9, S-25, and S-26

WERE NOT USED.

EXHIBIT NOS.

S-9, S-25, and S-26

WERE NOT USED.

STATE OF ARIZONA
CORPORATION COMMISSION

To all to Whom these Presents shall Come Greeting:

I, BRIAN C. MCNEIL, EXECUTIVE SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT

The attached is true, complete and correct copies of the ORDER REVOKING SECURITIES SALES REPRESENTATIVE REGISTRATION AND CONSENT TO SAME as issued by this Commission on January 7, 1999, in DOCKET NO. S-03316A-98-0000, bearing DECISION NO. 61336, IN THE MATTER OF THE OFFERING OF SECURITIES BY:

Daniel R. Wroble NationsBank

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 31ST DAY OF May 2001 A.D.

for BM

EXECUTIVE SECRETARY

EXHIBIT

S-27

Adm.

Docket

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

JAN 07 1999

DOCKETED BY

JIM IRVIN
Commissioner-Chairman
TONY WEST
Commissioner
CARL J. KUNASEK
Commissioner

In the matter of

Daniel R. Wroble
NationsBank
101 S. Tryon Street, NC1-002-33-31
Charlotte, NC 28255
(CRD No. 1413861),

Respondent

DOCKET NO. S-03316A-98-0000

DECISION NO. 61336

ORDER REVOKING SECURITIES SALES REPRESENTATIVE REGISTRATION AND CONSENT TO SAME

I.

Daniel R. Wroble ("Wroble") elects to permanently waive his right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona ("Act") with respect to this Order Revoking Securities Sales Representative Registration ("Order"); admits the jurisdiction of the Arizona Corporation Commission ("Commission"); and consents to the entry of this Order by the Commission

II.

FINDINGS OF FACT

1. Wroble, National Association of Securities Dealers ("NASD") Central Registration Depository ("CRD") No. 1413861, is a securities sales representative presently registered in Arizona in association with the brokerage firm NationsBanc Investments, Inc. ("NBII"), CRD No. 16361.

2. NBII was formed in January 1998 as a result of a merger between NationsBanc Enterprises, Inc. and several other financial services firms, which together were general partners of NationsSecurities ("NS"). NS ceased to exist as a result of the merger.

3. NationsBank, N.A., (the "Bank") a national banking association, through its subsidiaries provides trust and banking services. In June 1993, a subsidiary of the Bank entered into a

joint venture with a subsidiary of Dean Witter Discover & Co. to form NS which thereafter, in its capacity as a brokerage firm, effected sales of shares in two trusts, Nations Government Income Term Trust 2003 and Nations Government Income Term Trust 2004 (the "Term Trusts").

4. NationsBank, an affiliate of NS, served as the investment adviser and administrator for both the Term Trusts. The brokerage firm of Stephens, Inc. ("Stephens") was the master-selling agent for the Term Trusts. NS sold the Term Trusts as a sub-agent to Stephens, Inc.

5. During the sale of the Term Trusts, from mid-1993 through early 1994, the Bank employed Wroble as the national sales manager responsible for marketing the Term Trusts to the sales force. Wroble was not involved in the design or management of the Term Trusts. Wroble also provided information about the Term Trusts to the NS registered representatives and motivated them to sell the Term Trusts. At the time, Wroble was registered with the NASD as a general securities representative and government securities representative.

6. On May 4, 1998, NASD Regulation, Inc., ("NASDR"), a self-regulatory organization registered under the Securities Exchange Act of 1934, accepted Wroble's Letter of Acceptance, Waiver and Consent ("AWC"), No. CAF980020, in settlement of the NASDR's alleged rule violations contained in the AWC.

7. Through its acceptance of the AWC, the NASDR found that Wroble violated NASD Conduct Rules 2110 (Standards of Commercial Honor and Principals of Trade) and 2210 (Communications with the Public), in connection with his role as the national sales manager responsible for marketing the Term Trusts. In particular, the NASD found that Wroble (1) violated just and equitable principles of trade in that he made false and materially misleading statements during training sessions concerning the description of the Term Trusts; (2) was involved in the review, use and distribution of materially misleading sales scripts to the sales force; and (3) blurred the distinctions between the Bank and NS as the brokerage firm and Bank products and the Term Trusts as securities products during sales training sessions.

...

8. As a result of its findings, on May 4, 1998, NASDR fined Wroble $100,000; suspended him from associating in any capacity with a NASD member firm for six months; suspended him from acting as a principal with a NASD member firm for six months, the suspension to commence after the completion of the preceding suspension; and required that he requalify, by examination before again acting in any registered capacity. NASDR's decision and sanctions became final and effective on May 4, 1998.

III.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to the Act, A.R.S. §44-1801 et. seq., and Article XV of the Arizona Constitution.

2. Wroble, as a subject of the NASD Order, engaged in conduct that constitutes grounds for the revocation of his securities sales registration pursuant to A.R.S. §44-1962(4).

3. Wroble engaged in conduct that constitutes grounds for revocation of his securities sales registration pursuant to A.R.S. §44-1962(10) and A.A.C. R14-4-130(A)(20) promulgated thereunder. Specifically, Wroble used improper and misleading sales materials in sales training sessions.

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IV.

ORDER

THEREFORE, on the basis of the Findings of Fact and the Conclusions of Law, the Commission issues the following Order.

IT IS ORDERED, pursuant to A.R.S. §44-1962, that Wroble's registration as a securities sales representative is hereby revoked.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

COMMISSIONER-CHAIRMAN COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, STUART R. BRACKNEY, Acting 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 27th day of JAN, 1999.

STUART R. BRACKNEY
Acting Executive Secretary

DISSENT

(PH)

CONSENT BY DANIEL R. WROBLE TO ENTRY OF ORDER BY THE CORPORATION COMMISSION REVOKING SECURITIES SALES REPRESENTATIVE REGISTRATION AND WAIVER OF HEARING

1. Respondent, Daniel R. Wroble, an individual, admits the jurisdiction of the Arizona Corporation Commission ("Commission") over the subject matter of this proceeding, and solely, with respect to this matter, knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other procedures otherwise available under Article 11 of the Securities Act of Arizona (the "Act") and Title 44, The Arizona Administrative Code. Wroble acknowledges that the accompanying Order of Relief and Consent to Same ("Order") constitutes a valid final order duly rendered by the Commission.

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

3. Wroble acknowledges and agrees that this Order is entered into freely and voluntarily and that no promise was made or coercion used to induce Wroble to enter into it.

4. Wroble acknowledges that he has been represented by counsel in this matter and that he has reviewed this Order with his attorney and understands all terms and obligations contained herein.

5. Wroble consents to the issuance of the Findings of Fact and Conclusions of Law contained in the Order. Wroble does not admit the truth of said Findings of Fact and Conclusions of Law, but agrees that he shall not challenge their validity in any present or future administrative proceedings before the Commission or any other branch of state government concerning the denial or issuance of any license or registration required by the State in order to engage in the practice of any business or profession.

6. Wroble consents to the entry of this Order and agrees to be fully bound by its terms and conditions. Wroble further acknowledges that should he fail to comply with any and all provisions of

this Order, the Commission may impose additional sanctions and costs and seek other appropriate relief subject to Wroble's right to a hearing pursuant to the Act.

7. Wroble acknowledges that this Order resolves only alleged administrative violations of the of the Act and that nothing contained in the Order purports to resolve any other issues which may exist between Wroble and the State. Nothing in the Order shall be construed to restrict the State's right in a future proceeding to bring an action against Wroble from or related to facts not set forth in the Order.

8. Wroble acknowledges that he has been informed and understands that the Commission or its designee, at the Commission's sole and exclusive discretion, may refer or grant access to this matter, or any information or evidence gathered in connection therewith or derived therefrom, to any person or entity having appropriate administrative, civil or criminal jurisdiction. In connection therewith, Wroble acknowledges that no representations regarding the above have been made so as to induce him to enter into this Order, including the fact that no promise or representation has been made by the Commission or its designee or staff with regard to any potential criminal liability or immunity from any potential criminal liability.

DANIEL R. WROBLE

SUBSCRIBED AND SWORN TO before me this 9TH day of Dec., 1998.

Notary Public

My Commission Expires: 2-29-2000

APPROVED AS TO CONTENT AND FORM:

Collen D. Lundgren Date: 12-9-98

Attorney for Respondent

STATE OF ARIZONA
CORPORATION COMMISSION

To all to Whom these Presents shall Come Greeting:

I, BRIAN C. MCNEIL, EXECUTIVE SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT

The attached is true, and complete and correct copy of the original NOTICE OF DEFAULT, FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER REVOKING SECURITIES SALESMAN REGISTRATION, as issued by this Commission on February 21, 1996, in the DOCKET NO. S-03109A-95-0000, bearing DECISION NO. 59514, IN THE MATTER OF THE OFFERING OF SECURITIES BY:

Mark Allen Haugo

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 31ST DAY OF May 2001A.D.

for BCM

EXECUTIVE SECRETARY

EXHIBIT

S-28

Adm.

default, the relief requested in the Notice is hereby granted (i.e. HAUGO's registration as securities salesman is hereby revoked).

II.

FINDINGS OF FACT

1. HAUGO, whose last known address is 2700 N. Hayden Road, #1059, Scottsdale, Arizona 85257, was, at all times relevant hereto, registered with the Commission as a securities salesman.

2. HAUGO first became registered with the Commission on or about March 26, 1987. Such registration continued through on or about November 21, 1995. Presently, HAUGO's registration is in suspension pursuant to A.R.S. § 44-1949 because he is no longer employed with a registered securities dealer.

3. On or about July 21, 1995, HAUGO consented to the entry of a Decision by the New York Stock Exchange, Inc. ("NYSE"), a national securities exchange registered under the Securities Exchange Act of 1934.

4. In connection with the NYSE Decision, HAUGO executed a "Stipulation of Facts and Consent to Penalty" in which he neither admitted nor denied the NYSE's finding of facts.

5. In the Decision, the NYSE found that HAUGO:

I. Engaged in conduct inconsistent with just and equitable principles of trade in that he:

A. Effected or permitted transactions which were unsuitable in the accounts of one or more of his customers in light of their investment experience, investment objectives, and/or financial resources.

B. Effected or permitted excessive transactions in one or more of his customers' accounts.

C. Effected or permitted unauthorized trades in one or more of his customers' accounts.

D. Effected or permitted margin transactions in the accounts of one or more customers without the authorization of one or more customers.

E. Made one or more material misstatements of fact concerning their securities accounts to one or more of his customers.

F. Submitted one or more account documents to his member firm employer which contained false and inaccurate information.

II. Caused a violation of NYSE Rule 721(d) in that he effected options transactions in the account of one or more customers of his member organization employer without having written options agreements on file.

III. Violated NYSE 408(a) by exercising discretion in the accounts of one or more customers of his member organization employer without first obtaining written authorization of the customers.

IV. Violated NYSE Rule 405 in that, on one or more occasions, he failed to provide to his member organization employer essential facts relating to one or more customers in that he entered inaccurate financial information on new account documents for such customers' accounts.

V. Caused violations of Regulation 240.17a-3 promulgated under the Securities Exchange Act of 1934 and NYSE Rule 440 in that he caused inaccurate financial information to be entered onto one or more customer account records of his member organization employer.

6. As a result of the NYSE Decision, HAUGO was censured and barred from membership, allied membership, approved person status, and employment or association in any capacity with any member or member organization for a period of fifteen (15) months.

III.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over matters relating to securities pursuant to Article XV of the Arizona Constitution and A.R.S. § 44-1801 et seq.

2. On January 13, 1996 the Notice was properly served upon HAUGO within the meaning of A.R.S. § 44-1972, A.A.C. Rule R14-4-304, and A.A.C. Rule R14-4-306.

3. HAUGO has failed to request a hearing within the time limits set forth in the Notice and under A.R.S. § 44-1972, and A.A.C. Rule R14-4-306.

4. Having failed to request a hearing, HAUGO is deemed to have admitted allegations set forth in the Notice and incorporated herein as Findings of Fact and Conclusions of Law.

5. HAUGO is subject to revocation of his registration as a securities salesman pursuant to A.R.S. § 44-1962(4) in that he is lacking in integrity or not of good business reputation.

6. HAUGO is subject to revocation of his registration as a securities salesman pursuant to A.R.S. § 44-1962(8) in that he has been suspended for a period exceeding six months from membership in a national securities exchange registered under the Securities Exchange Act of 1934.

IV.

ORDER

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

1. IT IS ORDERED, pursuant to A.R.S. § 44-1962, that HAUGO's registration as a securities salesman is hereby revoked.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I JAMES MATTHEWS, 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 21 day of February, 1996.

James Matthews
JAMES MATTHEWS
Executive Secretary

DISSENT
JRA:me

STATE OF ARIZONA
CORPORATION COMMISSION

To all to Whom these Presents shall Come Greeting:

I, BRIAN C. MCNEIL, EXECUTIVE SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT

The attached is a true, complete and correct copy of the original ORDER REVOKING SECURITIES DEALER REGISTRATION, as issued by this Commission on February 27, 1998, in DOCKET NO. S-03259A-97-0000, bearing DECISION NO. 60714, IN THE MATTER OF THE OFFERING OF SECURITIES BY:

Toluca Pacific Securities Corporation

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 31ST DAY OF May 2001 A.D.

for BCM

EXECUTIVE SECRETARY

EXHIBIT

S-29

Adm.

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

FEB 2 7 1998

DOCKETED BY

JIM IRVIN
Commissioner-Chairman
RENZ D. JENNINGS
Commissioner
CARL J. KUNASEK
Commissioner

In the matter of Toluca Pacific Securities Corporation 3500 W. Olive, Suite 1900 Burbank, CA 91505-4655 (CRD # 13875) Respondent.	DOCKET NO. S-3259-I DECISION NO. 60714 ORDER REVOKING SECURITIES DEALER REGISTRATION

I.

INTRODUCTION

On December 30, 1997, the Securities Division (the "Division") of the Arizona Corporation Commission (the "Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order of Revocation (the "Notice") against Toluca Pacific Securities Corporation ("TOLUCA"). The Notice specified that TOLUCA 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 (10) days of receipt of the Notice. TOLUCA failed to request a hearing within the required time.

II.

FINDINGS OF FACT

1. TOLUCA, whose last known address is 3500 West Olive, Suite 1900, Burbank, California, has been registered with the Commission as a securities dealer from on or about January 21, 1988 to December 31, 1997.

2. On December 30, 1997, the Notice was served on TOLUCA by delivering a copy of the same to Michael G. Burton, Sr., Director of the Division as consented to by TOLUCA pursuant

to its filing of Uniform Form BD in its application for registration as a dealer in Arizona on or about November 6, 1987. In that filing, TOLUCA irrevocably appointed the securities administrator of each state as its agent for service of any notice filed against TOLUCA.

3. On December 30, 1997, a copy of the Notice was sent by certified mail, return receipt requested, to TOLUCA's last known business address of 3500 West Olive, Suite 1900, Burbank, California 91505-4655.

4. On or about March 1, 1994, the United States District Court for the Central District of California (Civil Action No. 93-2628 SVW) issued a Final Judgment As To Defendants Toluca Pacific Securities Corporation And Peter Blowitz (Final Judgment). The Final Judgment permanently enjoined TOLUCA from violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934.

III.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over TOLUCA and this matter pursuant to Article XV of the Arizona Constitution and A.R.S. § 44-1801 et seq.

2. On December 30, 1997, the Notice was properly served on TOLUCA in accordance with A.R.S. § 44-1972(D) and A.A.C. R14-4-304(C)(3).

3. TOLUCA failed to request a hearing within the time limits set forth in the Notice and A.R.S. § 44-1972.

4. TOLUCA is subject to an order revoking its registration as a securities dealer pursuant to A.R.S. § 44-1961(A)(9) in that TOLUCA is permanently enjoined by a court of competent jurisdiction from engaging in or continuing any conduct or practice in connection with the sale of securities. Specifically, TOLUCA was permanently enjoined by United States District Court from violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(c) of the Securities Exchange Act of 1934.

V.

ORDER

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

IT IS HEREBY ORDERED that the securities dealer registration of TOLUCA be revoked.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

COMMISSIONER-CHAIRMAN COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I JACK ROSE 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 27th day of February 1998.

JACK ROSE
Executive Secretary

Dissent

(SSB)

STATE OF ARIZONA
CORPORATION COMMISSION

To all to Whom these Presents shall Come Greeting:

I, BRIAN C. MCNEIL, EXECUTIVE SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT

The attaches is a true, complete and correct copy of the original ORDER REVOKING SECURITIES DEALER AND SALESMAN REGISTRATIONS as issued by this Commission on April 1, 1999, in DOCKET NO. S-03318A-98-0000, bearing DECISION NO. 61616, IN THE MATTER OF THE OFFERING OF SECURITIES BY:

Wise Choice Discount Broerage, Inc.
OlaWande A. Agunloye, Sr.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 31ST DAY OF May 2001 A.D.

for BCM

EXECUTIVE SECRETARY

EXHIBIT
S-30
Adm.

BEFORE THE ARIZONA CORPORATION COMMISSION

JIM IRVIN
Commissioner-Chairman
TONY WEST
Commissioner
CARL J. KUNASEK
Commissioner

In the matter of WISE CHOICE DISCOUNT BROKERAGE, INC. 30 Broad Street 47th Floor, New York, New York 10004 (CRD No. 39924) And OLAWANDE A. AGUNLOYE, SR. 9019 Schenck Street, New York, New York, 11236 (CRD No. 2429760) Respondents.	DOCKET NO. S-03318A-98-0000 Decision No. 61616 **ORDER REVOKING SECURITIES DEALER AND SALESMAN REGISTRATIONS**

Arizona Corporation Commission
DOCKETED
APR 01 1999
DOCKETED BY MI

I.

INTRODUCTION

On December 18, 1998 the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order of Relief ("Notice") against Wise Choice Discount Brokerage, Inc. ("WISE CHOICE") and Olawande A. Agunloye, Sr. ("AGUNLOYE"). The Notice specified that WISE CHOICE and AGUNLOYE 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 (10) days of receipt of the Notice. WISE CHOICE and AGUNLOYE failed to file a request for hearing within the required time.

. . .

. . .

II.

FINDINGS OF FACT

1. WISE CHOICE DISCOUNT BROKERAGE, INC. ("WISE CHOICE"), whose last known address is 30 Broad Street, 47th Floor, New York, New York 10004, has been registered with the Commission as a securities dealer from on or about January 13, 1997 to December 31, 1998.

2. OLAWANDE A. AGUNLOYE, SR. ("AGUNLOYE"), whose last known address is 9019 Schenck Street, New York, New York, 11236, has been registered with the Commission as a securities salesman from on or about January 1, 1998 to December 31, 1998. At all relevant times hereto AGUNLOYE has been the president of WISE CHOICE.

3. On December 21, 1998, Notices were sent by certified mail, return receipt requested to the last known addresses of WISE CHOICE and AGUNLOYE. The Notices sent certified mail were returned to the Division undeliverable.

4. On January 11, 1999, the Notice was served on WISE CHOICE and AGUNLOYE by delivering a copy to Victor Rodarte, Acting Director of the Division. WISE CHOICE consented to the service upon filing Form BD, application for registration as a securities dealer, with the Division on January 3, 1997. AGUNLOYE consented to the service upon filing form U-4, application for securities salesman registration with the Division on January 1, 1998.

5. On or about May 11, 1998, as a result of a complaint initiated by the Securities and Exchange Commission, the United States District Court for the Southern District of New York entered a preliminary injunction against WISE CHOICE and AGUNLOYE. The order enjoined WISE CHOICE AND AGUNLOYE from violations Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder.

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III.

CONCLUSIONS OF LAW

6. The Commission has jurisdiction over WISE CHOICE and AGUNLOYE in this matter pursuant to Article XV of the Arizona Constitution and A.R.S. § 44-1801 et seq.

7. On January 11, 1999, the Notice was properly served on WISE CHOICE and AGUNLOYE in accordance with A.R.S. § 44-1972(D) and A.A.C. R14-4-304(C)(3).

8. WISE CHOICE and AGUNLOYE failed to request a hearing within the time limits set forth in the Notice and A.R.S. § 44-1972.

9. WISE CHOICE is subject to an order revoking its registration as a securities dealer with the Commission pursuant to A.R.S. § 44-1961(A)(9). Specifically, WISE CHOICE is permanently or temporarily enjoined by order, judgment or decree of a court of competent jurisdiction from engaging in or continuing any conduct or practice in connection with the sale or purchase of securities.

10. AGUNLOYE's is subject to an order revoking his registration as securities salesman with the Commission pursuant to A.R.S. § 44-1962(7). Specifically, AGUNLOYE is permanently or temporarily enjoined by order, judgment or decree of a court of competent jurisdiction from engaging in or continuing any conduct or practice in connection with the sale or purchase of securities.

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IV.

ORDER

THEREFORE, on the basis of the Findings of Fact and Conclusions of Law, the Commission finds that the following Order is appropriate, in the public interests and necessary of the protection of investors.

IT IS HEREBY ORDERED that the securities dealer registration of WISE CHOICE be revoked pursuant to A.R.S. § 44-1961.

IT IS FURTHER ORDERED that the securities salesman registration of AGUNLOYE be revoked pursuant to A.R.S. § 44-1962.

IT IS FURTHER ORDERED that this Order shall become effective within ten days of the entry of this Order unless a motion for rehearing is filed pursuant to A.A.C. R14-3-112.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

COMMISSIONER-CHAIRMAN COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, STUART BRACKNEY, Acting 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 1 day of April, 1999.

STUART BRACKNEY
Acting Executive Secretary

Dissent

(SSB)

STATE OF ARIZONA
CORPORATION COMMISSION

To all to Whom these Presents shall Come Greeting:

I, BRIAN C. MCNEIL, EXECUTIVE SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT

The attaches is a true, complete and correct copy of the original ORDER OF REVOCATION as issued by this Commission on September 17, 1999, in DOCKET NO. S-03339A-99-0000, bearing DECISION NO. 61966, IN THE MATTER OF THE OFFERING OF SECURITIES BY:

Retirement Investment Group

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 31ST DAY OF May 2001 A.D.

EXECUTIVE SECRETARY for BCM

EXHIBIT

S-31

Adm.

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

SEP 17 1999

DOCKETED BY ed

CARL J. KUNASEK
Chairman
JIM IRVIN
Commissioner
WILLIAM A. MUNDELL
Commissioner

In the matter of RETIREMENT INVESTMENT GROUP 1003 Wirt Road, Suite 302 Houston, TX 77055 B/D 7421 Respondent.	DOCKET NO. S-03339A-99-0000 **ORDER OF REVOCATION** **DECISION NO.** 61966

I.

INTRODUCTION

On August 4, 1999, the Securities Division (the "Division") of the Arizona Corporation Commission (the "Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order for Relief (the "Notice") against RETIREMENT INVESTMENT GROUP ("RESPONDENT"), alleging violations of the Arizona Securities Act (the "Act"). The Notice specified that RESPONDENT would be afforded an opportunity for an administrative hearing upon written request filed with the Commission's Docket Control within ten (10) days after receipt of the Notice, in accordance with A.C.C. Rule R14-4-306(B).

On August 6, 1999, the Division served a copy of the Notice upon RESPONDENT by certified mail, return receipt requested, to RESPONDENT's last known business address as permitted by A.A.C. Rule R14-4-304(C)(4). *See* Exhibit "A" attached hereto. RESPONDENT has failed to request an administrative hearing ten (10) days after receipt of the Notice.

. . .

. . .

. . .

II.

FINDINGS OF FACT

1. RETIREMENT INVESTMENT GROUP ("RETIREMENT"), whose last known address is 1003 Wirt Road, Suite 302, Houston, TX 77055, is a registered dealer in Arizona.

2. On or about February 2, 1999, the Securities and Exchange Commission (the "SEC") revoked the registration of RETIREMENT and required RETIREMENT to pay civil penalties, after finding that RETIREMENT failed reasonably to supervise Gail G. Griseuk, a registered representative.

3. In upholding the order of an administrative law judge, the SEC found that James Harvey Thornton, RETIREMENT's President and responsible officer, failed to review Griseuk's customer accounts pursuant to RETIREMENT's internal supervisory procedures. Griseuk violated the anti-fraud provisions of the securities statutes in connection with the purchase and sale of approximately $325,000 of limited partnership interests in 1991. "Many, if not all, of Griseuk's customers were elderly persons on fixed incomes. She invested their money in risky and illiquid partnership interests. Had Thornton performed the rudimentary supervisory duty of reviewing Griseuk's customer accounts, the lack of suitability of these investments would have been clear."

4. On April 1, 1999, RETIREMENT filed a request to withdraw dealer registration in Arizona. Said request was not granted and this action was filed to revoke said registration.

III.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and A.R.S. § 44-1801 *et seq.*, the Arizona Securities Act (the "Act").

2. On August 5, 1999, and on August 10, 1999, the Division properly served the Notice on RESPONDENT in accordance with A.R.S. § 44-1972(D), A.A.C. Rules R14-4-304 and R14-4-306.

3. RESPONDENT failed to request a hearing within the time limits prescribed in A.R.S. § 44-1972(D) and A.A.C. Rule R14-4-306.

4. RETIREMENT's conduct constitutes grounds for the revocation of RETIREMENT's registration as a securities dealer with the Commission pursuant to A.R.S. §§ 44-1961(A)(10) on the grounds that RETIREMENT is subject to an order of the SEC revoking registration as a broker or dealer in securities under the Securities Exchange Act of 1934.

IV.

ORDER

THEREFORE, on the basis of the foregoing Findings of Fact and Conclusions of Law, the following Order is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-1961, that RESPONDENT's registration as a securities dealer is revoked.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN 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 17th day of September, 1999.

BRIAN C. McNEIL
Executive Secretary

DISSENT
(PTJ)

Decision No. 61966

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- ☐ Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- ☐ Print your name and address on the reverse of this form so that we can return this card to you.
- ☐ Attach this form to the front of the mailpiece, or on the back if space does not permit.
- ☐ Write *"Return Receipt Requested"* on the mailpiece below the article number.
- ☐ The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

3. Article Addressed to:

Retirement Investment Group
1003 Wirt Road Suite 302
HOUSTON TX 77055

4a. P 618 185 202

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery 8-10-99

5. Received By: *(Print Name)* Damyae Hill

6. Signature *(Addressee or Agent)*

8. Addressee's Address *(Only if requested and fee is paid)*

PS Form **3811**, December 1994 102595-99-B-0223 Domestic Return Receipt

Thank you for using Return Receipt Service.

EXHIBIT A

Ohio Department of Commerce

Division of Securities
77 South High Street • 22nd Floor
Columbus, OH 43215
(614) 644-7381 FAX (614) 466-3316

Bob Taft
Governor

Gary C. Suhadolnik
Director

CERTIFICATE OF THE DIVISION OF SECURITIES PURSUANT TO SECTION 1707.31 OF THE OHIO REVISED CODE

THIS IS TO CERTIFY that, pursuant to Revised Code section 1707.31, the photocopy attached hereto is a true and accurate copy of Division Order No. 00-327, Suspension Of Ohio Securities Salesperson License, Suspension Of Ohio Investment Adviser Representative, License No. 3364; Notice Of Intent To Revoke Ohio Securities Salesperson License, Notice Of Intent To Revoke Ohio Investment Adviser Representative License No. 3364, issued by the Ohio Division of Securities on September 27, 2000, in the matter of Philip Allen Lehman., CRD NO. 1345038, and accompanying letter and green card return receipt.

RECEIVED
FEB 22 2001
Division of Securities

WITNESS MY HAND AND THE OFFICIAL SEAL OF THIS DIVISION at Columbus, Ohio this 31st day of January, A.D. 2001.

Deborah L. Dye Joyce

Deborah L. Dye Joyce, Commissioner of Securities

EXHIBIT 1

EXHIBIT S-32 Adm.

ACC00772
S-3439A

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF SECURITIES
COLUMBUS, OHIO 43215

Order No. 00-327

IN THE MATTER OF: PHILIP ALLEN LEHMAN
CRD NO. 1345038

SUSPENSION OF OHIO SECURITIES SALESPERSON LICENSE
SUSPENSION OF OHIO INVESTMENT ADVISER REPRESENTATIVE LICENSE NO. 3364

NOTICE OF INTENT TO REVOKE OHIO SECURITIES SALESPERSON LICENSE
NOTICE OF INTENT TO REVOKE OHIO INVESTMENT ADVISER REPRESENTATIVE LICENSE NO. 3364

NOTICE OF OPPORTUNITY FOR HEARING

DIVISION ORDER

WHEREAS, the Ohio Division of Securities (hereinafter "the Division") is charged with the responsibility of protecting investors and finds that this order is necessary or appropriate in the public interest or for the protection of investors, clients and prospective clients, and is consistent with the purposes of the Ohio Securities Act, Chapter 1707 of the Ohio Revised Code;

WHEREAS, the Division has conducted an investigation of Philip Allen Lehman (hereinafter "Lehman"), whose address is [redacted], Englewood, OH 45322, and, as a result of said investigation, the Division alleges as follows:

(1) That on or about September 7, 2000, the Securities and Exchange Commission ("SEC"), in case number AP 3-10024, entered a Cease and Desist Order and an Order Making Findings and Imposing Remedial Sanctions against Lehman. The SEC Order finds that, from February 1997 through December 1998, Lehman misrepresented facts while offering and selling over $10 million worth of investment contracts. The SEC has suspended Lehman for nine months from association with a broker-dealer, investment adviser and investment company, has ordered him to cease and desist from further violations, and has imposed a $10,000.00 civil penalty.

(2) Ohio Revised Code section 1707.19(A)(1) provides for the suspension or revocation of a salesperson's or investment adviser representative's license if the salesperson or investment adviser representative is not of good business repute.

WHEREAS, based on paragraph one (1) above, the Division has determined that Lehman is not of good business repute as that term is defined in Ohio Revised Code section 1707.19(A)(1) and Ohio Administrative Code Rules 1301:6-3-19(D)(2), (7), and (9), and

THEREFORE, IT IS ORDERED THAT, pursuant to Ohio Revised Code sections 1707.19, 1707.23(D) and 119.06, the Ohio securities salesperson and Ohio investment adviser representative licenses of Lehman are hereby **SUSPENDED**.

FURTHER, IT IS ORDERED THAT, pursuant to Ohio Revised Code Chapter 119, Lehman is hereby notified that thirty (30) days from the date of mailing of this Notice, the Division, pursuant to Ohio Revised Code sections 1707.19 and 1707.23(D), intends to issue an Order to **REVOKE** the Ohio securities salesperson and Ohio investment adviser representative licenses of Lehman;

FURTHER, IT IS ORDERED THAT, pursuant to Ohio Revised Code Chapter 119, Lehman is hereby notified that he will be afforded a hearing if requested within thirty (30) days from the date of mailing of this Notice. At the hearing, Lehman and the Division may appear in person, by their attorneys, or together with their attorneys, or they may present their position, arguments, or contentions in writing, and that at the hearing they may present evidence and examine witnesses appearing for or against them.

FURTHER, IT IS ORDERED THAT, if no hearing is timely requested, an Order to **REVOKE** the Ohio securities salesperson and Ohio investment adviser representative licenses of Lehman may be issued.

CAF

WITNESS MY HAND AND THE OFFICIAL SEAL OF THIS DIVISION at Columbus, Ohio this 27th day of September, A.D. 2000.

Deborah L. Dye Joyce

Deborah L. Dye Joyce, Commissioner of Securities

Philip A Lehman
[redacted]
Englewood, OH 45322

RECEIVED
OCT 5 2000
Division of Securities

October 3, 2000

CERTIFIED MAIL NO. P 414 533 531

Ohio Department of Commerce
Division of Securities
77 South High Street – 22nd Floor
Columbus, OH 43215

Re: **Philip Allen Lehman**
CRD No. 1345038
Suspension of Ohio Securities Salesperson License
Suspension of Ohio Investment Adviser Representative License No. 3364

Notice of Intent to Revoke Ohio Securities Salesperson License
Notice of Intent to Revoke Ohio Investment Advisor Representative License No. 3364

Notice of Opportunity for Hearing

Dear Ms. Francis:

I am in receipt of your letter dated September 27, 2000. I respectfully request an Opportunity for a hearing regarding the matters mentioned above. If you have any questions, please contact me at (937) 898-4747.

Sincerely,

Philip Allen Lehman

EXHIBIT
3

1 BEFORE THE STATE OF OHIO
2 DEPARTMENT OF COMMERCE
3 DIVISION OF SECURITIES
4 - - - - -
5 IN RE: :
6 Philip Allen Lehman :
7 - - - - -
8 Proceedings before Hearing Examiner
9 William R. Damschroder taken at the Division
10 of Securities, 77 South High Street,
11 Columbus, Ohio, on Tuesday, February 6,
12 2001, at 10:05 o'clock a.m.
13 - - - - -
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RECEIVED
FEB 22 2001
Division of Securities

1 APPEARANCES:

2 Betty D. Montgomery
Attorney General
3 Business and Government Regulation
30 East Broad Street
4 Columbus, Ohio 43215
By Mark S. Anderson,
5 Assistant Attorney General,

6 On behalf of the Division of
Securities.

7

Mallon & Johnson, P.C.
8 19 South La Salle Street
Suite 1202
9 Chicago, Illinois 60603
By Barbara A. Mallon, Esq.
10 and Dexter B. Johnson, Esq.,

11 and

12 Statman, Harris,
Siegel & Eyrich, LLC
13 4100 Carew Tower
441 Vine Street
14 Cincinnati, Ohio 45202
By William B. Fecher, Esq.,

15

On behalf of the Respondent.

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1 - - - - -
2 P R O C E E D I N G S
3 - - - - -
4 HEARING EXAMINER DAMSCHRODER:
5 Let's go on the record. My name is Bill
6 Damschroder. I'm a staff attorney general
7 with the Ohio Department of Commerce. I've
8 been appointed to serve as the hearing
9 officer in this matter CRD No. 1345038 in
10 the matter of Philip Allen Lehman.
11 Let the record show that this
12 hearing was called to order on February 6,
13 2001 at approximately 10:05 a.m. in the
14 offices of the Division of Securities, 77
15 South High Street, 22nd Floor, Columbus,
16 Ohio.
17 This hearing is being conducted
18 pursuant to Ohio Revised Code Chapter 119.
19 Any witnesses in this hearing will testify
20 under oath and a stenographer, who is an
21 Ohio notary public, will administer any
22 oaths or affirmations to such witnesses.
23 The opportunity to cross-examine
24 the witnesses will be available to the

1 Division and the Respondent. Also, the
2 stenographer will receive documents sought
3 to be introduced at this hearing as evidence
4 and will identify and mark such exhibits.
5 Under the requirements of the Ohio
6 Administrative Procedures Act this hearing
7 will be held generally in accordance with
8 the rules of evidence and procedures within
9 the confines of the Supreme Court of Ohio.
10 These standards will be somewhat
11 relaxed as this is an administrative
12 hearing. Bear in mind, however, that
13 witnesses will be sworn and subject to
14 perjury prosecution under Ohio law, and as
15 presiding officer, I will decide the
16 questions concerning the admissibility of
17 evidence, objections to any testimony or
18 other procedural matters.
19 Any objections to those rulings
20 shall be made in a timely manner by the
21 attorney of record. A stenographic record
22 has been provided at the expense of the
23 Division. The transcript will be prepared
24 at cost to the Division which will be

1 provided to the Division and if requested to
2 the Respondent.
3 I will review the transcript and
4 the evidence submitted here today and I will
5 prepare a report and recommendation to the
6 agency that will set forth the findings of
7 fact and conclusions of law and
8 recommendations of action to be taken by the
9 Commissioner of Securities who will act on
10 behalf of the agency in this matter.
11 Within five days of the filing of
12 the report and recommendation with the
13 Commissioner, a copy of the report and
14 recommendation will be served upon the
15 Respondent or Respondent's counsel by
16 certified mail. Within 10 days of receipt
17 of the report, the parties may present any
18 objections that they may have to the report
19 and recommendation.
20 The objections shall be presented
21 in writing. These objections will be
22 considered by the Commissioner of Securities
23 prior to the final determination and order
24 by the agency in this matter.

1 Throughout the course of this
2 hearing and for the process of the report
3 and recommendation and the final order, the
4 provisions of the Ohio Administrative
5 Procedures Act will apply, and I direct both
6 parties to the Act to more fully determine
7 their rights under the law.
8 At this time I would like the
9 parties and their representatives present to
10 identify themselves for the record. After
11 that then we will have the State present its
12 case.
13 MR. ANDERSON: Mr. Hearing
14 Examiner, my name is Mark Anderson. I'm an
15 assistant attorney general with the Business
16 and Government Regulation Section located at
17 30 East Broad Street here in Columbus. I'll
18 have one witness testifying today, Caryn
19 Francis, a staff attorney for the Division
20 of Securities.
21 HEARING EXAMINER DAMSCHRODER:
22 Okay.
23 MS. MALLON: My name is Barbara
24 Mallon, and along with Dexter Johnson and

1 Bill Fecher, who will introduce themselves,
2 of the law firm of Mallon & Johnson in
3 Chicago and we represent Philip Lehman. We
4 will have the Respondent as well as two
5 witnesses in this matter and I've already
6 submitted to the Attorney General's office
7 the four exhibits that we plan on
8 introducing as well.
9 MR. JOHNSON: Dexter Johnson also
10 of the same firm representing Philip
11 Lehman.
12 MR. FECHER: Bill Fecher. I'm an
13 attorney for Mr. Lehman here today as a
14 witness primarily.
15 HEARING EXAMINER DAMSCHRODER: Did
16 you say you are Ohio counsel?
17 MR. FECHER: Yes, Ohio attorney,
18 yes.
19 HEARING EXAMINER DAMSCHRODER:
20 Could you tell us with what firm?
21 MR. FECHER: Statman, Harris.
22 I'll give the court reporter my card.
23 HEARING EXAMINER DAMSCHRODER:
24 Great. Thank you.

Registrations Summary

Individual CRD#: 1345001	Individual Name: WISEMAN, KENNETH R

Current Firm(s):

Registrations Summary With Current Employers

Individual CRD#: 1345001	Individual Name: WISEMAN, KENNETH R

Firm Name	Firm CRD	Start Date	SFG Member
TOWER EQUITIES, INC.	16195	09/1986	N

Prior Firm(s):

Registrations Summary With Prior Employers

Individual CRD#: 1345001	Individual Name: WISEMAN, KENNETH R

No Prior Employers Found

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Registrations with Current Employers

Individual CRD#: 1345001	Individual Name: WISEMAN, KENNETH R
Firm CRD # : 16195	Firm Name : TOWER EQUITIES, INC.

Employment Start Date	09/01/1986

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
NASD	FN	07/05/1999	12/06/1990	APPROVED	12/06/1990
NASD	GS	07/05/1999	02/14/1994	PURGED	
NASD	IR	07/05/1999	10/13/1986	APPROVED	10/13/1986
AZ	AG	08/14/2000	08/15/2000	APPROVED	08/15/2000

Regulatory Authority	Registration Category	Filing Date	Status Date	Registration Status	Approval Date
MI	AG	07/05/1999	04/12/1993	APPROVED	04/12/1993
OH	AG	07/05/1999	10/14/1986	APPROVED	10/14/1986
PA	AG	07/05/1999	03/21/1997	APPROVED	03/21/1997

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EXHIBIT
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Adm.

U4 Employment History

Individual CRD#: 1345001	Individual Name: WISEMAN, KENNETH R

Please note that data contained in the U-4 EMPLOYMENT HISTORY SCREEN is updated only by a U-4 and does not reflect any changes made by the filing of a U-5.

Employment History

From	To	Name	Investment Related Business?	City	State	Country	Position
08/1990	Present	SELF EMPLOYED	N	DAYTON	OH	USA	FINANCIAL CONSULTANT
09/1986	Present	TOWER EQUITIES, INC.	Y	DAYTON	OH	USA	REGISTER REPRESENTATIVE & TREASURER
09/1991	07/2000	SPECTRA GROUP INC	N	DAYTON	OH	USA	SECRETARY/TREASURER
03/1979	12/1999	ENINUN INC	N	DAYTON	OH	USA	TREASURER
10/1996	09/1998	DIAMOND INTERNATIONAL LTD	N	DAYTON	HI	USA	TREASURER
10/1996	10/1996	METROPOLITAN ASSET MANAGEMENT CORP	N	DDAYTON	OH	USA	CFO & DIRECTOR
06/1995	10/1996	C J LASER INC	N	DAYTON	OH	USA	CHAIRMAN, CEO & CFO
07/1982	08/1990	WISEMAN, KOTECHA &DREWETT, CPA' INC.	N	DAYTON	OH	USA	PARTNER

Office of Employment Address History

From	To	Firm	Street 1	Street 2	City	State	Country	Postal Code
09/01/1986	Present	TOWER EQUITIES, INC. (16195)	8141 N. MAIN ST.		DAYTON	OH	USA	45415

MALLON & JOHNSON, P.C.

ATTORNEYS AT LAW

19 SOUTH LASALLE STREET • SUITE 1202

CHICAGO, ILLINOIS 60603

312-346-8890 • FAX: 312-346-8896

m-j@mallonandjohnson.com

www.mallonandjohnson.com

By Federal Express

May 17, 2001

Amy Leeson
Arizona Corporation Commission
1300 W. Washington St.
Phoenix, AZ 85007

Re: Tower Equities, Inc. and Philip A. Lehman
Docket Control No. S-03439A-00-0000

Dear Amy:

Enclosed please find the following:

1. Original letter proposing settlement;
2. Copy of Request for Extension of Time;
3. Response to your information request in the form of an affidavit.

There is one item I would like to point out in reference to the affidavit. One, after a diligent search on the part of the company and myself, we have been unable to locate the Lifetime Assets, LLC private placement memorandum. However, as I mentioned a few months ago, I know for a fact that Jerry Kohn of the SEC has a copy of the memorandum.

If you have any questions, please call me at (312) 346-8890.

BAM:bt
Enc/

Very truly yours,

Barbara A. Mallon

Respondents'
Exhibit 1

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