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COMMISSIONER

WILLIAM A. MUNDELL
COMMISSIONER



ARIZONA CORPORATION COMMISSION

BRIAN C. McNEIL
EXECUTIVE SECRETARY

MARK SENDROW
DIRECTOR

SECURITIES DIVISION
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ORIGINAL
MEMORANDUM

TO: Chairman Carl J. Kunasek
Commissioner Jim Irvin
Commissioner William A. Mundell

Arizona Corporation Commission

DOCKETED

NOV 08 1999

FROM: Mark Sendrow
Director of Securities

DOCKETED BY	<i>JS</i>
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DATE: November 8, 1999

RE: Proposed Order for Relief and Consent Thereto for Premiere Financial Group, Inc., S-03297A-99-0000

CC: Brian C. McNeil, Executive Secretary

AZ CORP COMMISSION
DOCUMENT CONTROL

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RECEIVED

Attached is a proposed Order of Relief and Consent Thereto ("Order") regarding Premiere Financial Group, Inc. ("Premiere"), Heritage Properties, Inc., Estate Guardian Financial Services, Inc. and John H. Lawson (collectively "Respondents"). Lawson is the president and principal shareholder of the Respondent companies. Lawson personally participated in all the activities described in the Order.

The Order imposes a cease and desist order, order of restitution and order assessing penalties for the offer and sale of unregistered securities and fraud in connection with the sale of securities. Respondents admit to the findings of fact and conclusions of law and consent to the Order.

The Order covers three areas of conduct by Respondents.

First, beginning in 1995, Respondents offered promissory notes to the public. Respondents were not licensed to sell securities in Arizona, nor were the securities registered or exempt. Respondents sold 84 promissory notes and/or investment contracts to 54 investors, for a total principal amount of \$3,184,860.84. The majority of all investors were over 65 years old and live in Arizona. Respondents initially solicited investors to purchase "living trusts." Respondents would then offer insurance products, such as fixed annuities, to buyers of the trusts. The annuities often had high fixed rates of return in their first year. These fixed rates would drop after the first year. When the clients complained about the lower rate of return, Respondents would then suggest that they purchase the promissory notes. Respondents gave different investors different information as to how the proceeds of the promissory notes would be used, including

Memo to the Commissioners

November 8, 1999

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that the company would use the funds to purchase second mortgages, that it would purchase a nursing home or that it would use the funds to build a storage facility. These statements were false. Additionally, Respondents did not provide the investors with any written disclosure statements, offering documents or prospectuses regarding the promissory notes. They did not provide the investors with any financial information regarding Respondents, despite the fact that their books and records showed a negative net worth for the companies. The funds raised from the promissory notes were mainly used for operating expenses of the companies and personal expenses of Lawson.

Second, on January 21, 1999, as part of an investigation into the activities of Respondents, Lawson sent a letter to the Division in which he represented that Respondents would not sell any securities until a final determination was made as to their activities then under investigation by the Division. Despite those representations, in July 1999, Lawson accepted and received an additional \$41,000 from an elderly Arizona investor. Lawson did not disclose to the investor that he had agreed with the Division not to sell any further securities to investors. He further failed to disclose or provide to the investor information regarding the nature of the investment, any written disclosure statements, offering documents or prospectuses regarding the investment. He also did not provide the investor with any financial information regarding Respondents, despite the fact that the books and records of Respondents showed a negative net worth. Upon discovering this sale, the Commission, on August 11, 1999, issued a Temporary Cease and Desist Order against Premiere and Lawson, barring them from violating the Securities Act. On September 8, 1999, Respondents consented to continue the Temporary Cease and Desist Order until this action was final.

Third, beginning June 1996, and continuing through September 1997, Premiere and Lawson sold promissory notes from three out-of-state companies, Legend Sports, Inc. ("Legend"), Ameritech Petroleum, Inc. ("Ameritech") and Sweetwater Development Co. ("Sweetwater") to eight Arizona investors. The eight investors purchased the notes for \$522,608.12. Respondents received commissions from the sale of the notes. In 1997, Legend defaulted on its promissory notes and stopped paying interest to investors. A court appointed receiver is now operating Legend. On June 3, 1999, the United States District Court, at the request of the SEC, issued a temporary restraining order against Ameritech and its principals, freezing their assets. The SEC alleged that Ameritech had been run as a Ponzi scheme, with the obligations of older investors being paid off with funds from new investors. The four Ameritech noteholders have redeemed their notes and received return of their principal prior to the SEC's action against Ameritech.

The Order finds that Respondents violated A.R.S. §§ 44-1841, 44-1842 and 44-1991. It requires that Respondents permanently cease and desist their activity. It requires that Respondents make full restitution of \$3,362,579.08 to all investors, with interest accruing at the rate of 10% per annum. It also imposes a \$50,000 penalty against Respondents to be paid after all investors have been repaid. The penalty covers the Division's personnel expenses and out-of-pocket costs incurred in this case.

Memo to the Commissioners

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The Order requires Respondents to make an initial payment of \$500,000 by November 29, 1999. It imposes a repayment schedule starting January 3, 2000. Under the schedule, Respondents must make a minimum payment of \$10,000 on January 3, 2000, \$20,000 on April 3, 2000, \$30,000 on July 3, 2000 and every three months after that. Additionally, the Order imposes a requirement that Respondents must pay 75% of all income above a minimum level. Respondents must provide a sworn financial statement to the State every quarter along with their payment. Respondents have also given a \$500,000 lien on a boat owned by Lawson, along with a \$75,000 lien on Lawson's house. Failure to meet any of their duties allows the State to declare Respondents in default and allows it to use legally allowed methods of collection.

The Division recommends approval of the Order. Respondents have admitted the findings of fact and conclusions of law. Thus the investors, most of whom are elderly, avoid the stress of testifying at a hearing while we still obtain an order that admits all the allegations against Respondents. The Order can also be used immediately against Respondents in other administrative proceedings. Additionally, the State is not barred from proceeding against Respondents in any other forum. The Order will allow the investors to immediately see some return of their investment and imposes a payment plan that requires substantive minimum payments plus additional payments if Respondents have such income.

Originator: Mark Dinell

AG Assigned: Robert A. Zumoff

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **CARL J. KUNASEK**
3 **Chairman**
4 **JIM IRVIN**
5 **Commissioner**
6 **WILLIAM A. MUNDELL**
7 **Commissioner**

8 In the matter of

9 **PREMIERE FINANCIAL GROUP, INC.,**
10 **an Arizona corporation**
11 **1256 West Chandler Blvd., #30**
12 **Chandler, AZ 85224**

13 **HERITAGE PROPERTIES, INC.,**
14 **an Arizona corporation**
15 **1256 West Chandler Blvd., #30**
16 **Chandler, AZ 85224**

17 **ESTATE GUARDIAN FINANCIAL SERVICES,**
18 **INC.,**
19 **a dissolved Arizona corporation**
20 **500 W. Ray Road, #1**
21 **Chandler, AZ 85224**

22 **JOHN H. LAWSON, an individual,**
23 **15643 S. 6th Place**
24 **Phoenix, AZ 85048,**

25 **Respondents.**

26 **JOHN H. LAWSON, an individual,**
27 **15643 S. 6th Place**
28 **Phoenix, AZ 85048,**

29 **Respondents.**

30 **PREMIERE FINANCIAL GROUP, INC.,**
31 **an Arizona corporation**
32 **1256 West Chandler Blvd., #30**
33 **Chandler, AZ 85224,**

34 **ORDER OF RELIEF AND CONSENT**
35 **THERETO**

36 Decision No. _____

37 DOCKET NO. S-03297A-99-0000

38 DOCKET NO. S-03358A-99-0000

39 (Consolidated)

I.

INTRODUCTION

RESPONDENTS PREMIERE FINANCIAL GROUP, INC. ("PFG"), HERITAGE PROPERTIES, INC. ("HPI"), ESTATE GUARDIAN FINANCIAL SERVICES, INC. ("EGFSI") and JOHN H. LAWSON ("LAWSON"), collectively ("RESPONDENTS") elect to permanently waive their right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona (the "Act") with respect to this Order of Relief and Consent Thereto (the "Order"). RESPONDENTS admit to the jurisdiction of the Arizona Corporation Commission (the "Commission"); admit, solely for purposes of this proceeding and any other administrative proceeding, present or future, before the Commission or any other agency of this State, the Findings of Fact and Conclusions of Law contained in this Order; and consent to entry of this Order by the Commission.

II.

FINDINGS OF FACT

1. PREMIERE FINANCIAL GROUP, INC. ("PFG"), whose last known address is 1256 West Chandler Blvd., #30, Chandler, AZ 85224, is an Arizona corporation.
2. HERITAGE PROPERTIES, INC. ("HPI"), whose last known address is 1256 West Chandler Blvd., #30, Chandler, AZ 85224, is an Arizona corporation. In some situations, HPI did business as RE/MAX, HERITAGE PROPERTIES, INC.
3. ESTATE GUARDIAN FINANCIAL SERVICES, INC. ("EGFSI"), whose last known address was 500 W. Ray Road, Chandler, AZ 85224, was an Arizona corporation at all times relevant. EGFSI was dissolved by order of the Commission on March 10, 1998.
4. JOHN H. LAWSON ("LAWSON"), whose last known address is 15643 S. 6th Place, Phoenix, AZ 85048, is the president and principal shareholder of PFG and HPI at all times relevant. LAWSON was the president and principal shareholder of EGFSI.

1 5. PFG, HPI, EGFSI and LAWSON are not registered as securities dealers with the
2 Commission. LAWSON is also not registered as a securities salesman. LAWSON has an Arizona
3 insurance license and is licensed to sell certain insurance products within Arizona.

4 **THE PFG, HPI AND EGFSI PROMISSORY NOTES**

5 6. Beginning in 1995, HPI and EGFSI, through their agent LAWSON, offered
6 promissory notes to the public. The notes were unsecured obligations of HPI and EGFSI, with
7 repayment periods up to five years.

8 7. Beginning in 1996, PFG, through its agent LAWSON, began offering promissory
9 notes to the public. The notes were obligations of PFG, with repayment periods up to five years.
10 Some of the notes stated that they were "secured", but no description of the security was attached
11 to the note or otherwise provided to the investor.

12 8. HPI, EGFSI and PFG, through LAWSON, sold at least 84 promissory notes and/or
13 investment contracts to at least 54 investors, for a total principal amount of at least \$3,184,860.84.

14 9. The majority of all investors were over 65 years old and live in Arizona.

15 10. In many circumstances, EGFSI and LAWSON would advertise, through newspapers
16 and flyers, estate planning and trust creation services, including seminars. EGFSI and LAWSON
17 also utilized cold calling to individuals, offering estate planning and trust creation services. EGFSI
18 and LAWSON would solicit buyers to purchase "living trusts." LAWSON would then offer
19 insurance products to the buyers of the trusts. The insurance products were usually annuities for
20 which PFG and LAWSON received commissions. The annuities often had high fixed rates of return
21 in their first year. These fixed rates would drop after the first year. When the clients complained
22 about the lower rate of return, LAWSON would then suggest that they purchase the HPI, EGFSI and
23 PFG promissory notes, which he offered with a higher rate of return.
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1 11. LAWSON gave different investors different information as to how the proceeds of
2 the promissory notes would be used, including that the company would use the funds to purchase
3 second mortgages, that it would purchase a nursing home or that it would use the funds to build a
4 storage facility. These statements were false.

5 12. LAWSON told investors that the investment was safe and no money could be lost.
6 Those statements were false.

7 13. LAWSON told at least one investor that the promissory note would be secured by
8 storage units. That statement was false.

9 14. Some of the notes stated that they were secured by second deeds of trust. Those
10 statements were false.

11 15. PFG, HPI, EGFSI and LAWSON did not provide the investors with any written
12 disclosure statements, offering documents or prospectuses regarding the promissory notes. They
13 did not provide the investors with any financial information regarding PFG, HPI, EGFSI or
14 LAWSON, despite the fact that the books and records of PFG, HPI and EGFSI showed a negative
15 net worth for the companies.
16

17 16. Despite the fact that the notes state that the company will provide financial
18 information at least annually, PFG, HPI and EGFSI have never provided such information to the
19 investors.
20

21 17. LAWSON failed to inform some investors as to the nature of their investment.
22 Some investors believed that they were purchasing certificates of deposit, secured promissory notes
23 or stock. Others simply had no idea. It was not until they received the promissory note some time
24 later that some of them realized the nature of their investment.

25 18. The funds raised from the promissory notes were mainly used for operating expenses
26 of PFG, HPI and EGFSI and personal expenses of LAWSON.

THE TEMPORARY CEASE AND DESIST ORDER1
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19. On or about January 21, 1999, as part of an investigation into the activities of PFG and LAWSON, LAWSON sent a letter to the Division in which he represented that neither he nor PFG would sell any securities until a final determination was made as to his activities then under investigation by the Division. The Division relied upon those representations and in return granted PFG and LAWSON additional time to respond to the Division's inquiries.

20. Despite those representations, in July 1999, LAWSON accepted and received additional investments in the form of promissory notes or investment contracts. LAWSON received two checks from an Arizona investor, written on an insurance account at IL Annuity & Insurance Company. The two checks were dated on or about July 7, 1999 and July 20, 1999, for the amounts of \$35,000.00 and \$6,000.00. The investor, who is 84 years old, does not recollect giving those checks to LAWSON. She is unable to describe the nature of her investment with PFG and LAWSON.

21. The checks were made out to Bank One and were deposited by LAWSON to the account of John Lawson & Associates at Bank One. LAWSON had opened this new account on July 8, 1999, just after the date of the investment. As of August 5, 1999, the balance in the account was less than \$250.00.

22. LAWSON did not disclose to the investor that he had agreed with the Division not to sell any further securities to investors. He further failed to disclose or provide to the investor prior to and at the time of the investment, information regarding the nature of the investment, any written disclosure statements, offering documents or prospectuses regarding the investment. He did not provide the investor with any financial information regarding himself, despite the fact that he had a negative net worth.

1 23 On August 11, 1999, the Commission issued a Temporary Cease and Desist Order
2 against PFG and LAWSON, barring them from violating the Securities Act. On September 8,
3 1999, PFG and LAWSON consented to continue the Temporary Cease and Desist Order until this
4 action was final.

5 **THE LEGEND SPORTS, AMERITECH PETROLEUM AND**
6 **SWEETWATER DEVELOPMENT PROMISSORY NOTES**

7 24. Beginning approximately June 5, 1996, and continuing through September 8, 1997,
8 PFG and LAWSON also sold promissory notes from three companies, Legend Sports, Inc.
9 ("Legend"), Ameritech Petroleum, Inc. ("Ameritech") and Sweetwater Development Co.
10 ("Sweetwater") to eight Arizona investors.

11 25. The eight investors purchased the notes for approximately \$522,608.12. Three
12 investors purchased Legend notes for \$232,869.51. Four investors purchased Ameritech notes for
13 \$238,889.88. One investor purchased two Sweetwater notes for \$50,848.73.

14 26. PFG and LAWSON contracted to receive commissions ranging from four to eight
15 percent for each note. In addition, PFG and LAWSON contracted to receive a commission when
16 any note was renewed. PFG and LAWSON received at least \$35,222.07 in commissions from the
17 sale and renewal of the notes.

18 27. In 1997 Legend defaulted on its promissory notes and stopped paying interest to
19 investors. A court appointed receiver is now operating Legend and seeking to obtain funds in order
20 to pay creditors, including noteholders. On September 24, 1998, the United States Securities and
21 Exchange Commission ("SEC") filed a complaint against principals of Legend, alleging that they
22 had violated securities laws and had operated Legend as a Ponzi scheme.

23 28. On June 3, 1999, the United States District Court for the Northern District of Texas, at
24 the request of the SEC, issued a temporary restraining order against Ameritech and its principals,
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1 freezing their assets. The SEC alleged that Ameritech had been run as a Ponzi scheme, with the
2 obligations of older investors being paid off with funds from new investors.

3 29. The four Ameritech noteholders have redeemed their notes and received return of their
4 principal prior to the SEC's action against Ameritech.

5 III.

6 CONCLUSIONS OF LAW

7 1. The Commission has jurisdiction over this matter pursuant to the Act, A.R.S. § 44-
8 1801 et seq., and to Article XV of the Arizona Constitution.

9 2. From in or about 1995 through 1999, RESPONDENTS offered and/or sold securities
10 in the form of promissory notes and/or investment contracts, within and/or from Arizona.

11 3. The securities were not registered under A.R.S. §§ 44-1871 through 44-1875 or 44-
12 1891 through 44-1901; were not exempt from registration under A.R.S. §§ 44-1843 or 44-1843.01;
13 were not offered or sold in exempt transactions under A.R.S. § 44-1844; and were not securities
14 exempt under any rule or order promulgated by the Commission. This conduct violates A.R.S. § 44-
15 1841.

16 4. In connection with the offers to sell and the sale of securities, RESPONDENTS
17 acted as dealers and/or salesmen within and/or from Arizona, although not registered pursuant to the
18 provisions of Article 9 of the Securities Act, in violation of A.R.S. § 44-1842.

19 5. In connection with the offers and sales of securities within and/or from Arizona,
20 RESPONDENTS directly or indirectly: (i) made untrue statements of material fact or omitted to
21 state material facts which were necessary in order to make the statements made not misleading in
22 light of the circumstances under which they were made; and (ii) engaged in transactions, practices or
23 courses of business which operated or would operate as a fraud or deceit upon offerees and
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1 investors, in violation of A.R.S. § 44-1991. RESPONDENTS' conduct includes, but is not limited
2 to, the following:

3 a. Failed to inform investors of the true financial condition of PFG, HPI, EGFSI and
4 LAWSON;

5 b. Informed investors that the promissory notes were secured notes when in fact they
6 were unsecured;

7 c. Informed investors that the notes were safe and the investors would not lose any
8 money, when in fact there was no basis for such a statement;

9 d. Informed investors that the proceeds from the sale of promissory notes were to be used
10 for specified projects when in fact they were mainly used for operating expenses of PFG, HPI and
11 EGFSI and personal expenses of LAWSON; and

12 e. Informed at least one investor that the notes would be secured by storage facilities in
13 Arizona and would be paid off from the money earned by that facility, when in fact there was no basis
14 for such a statement.
15

16 **IV.**

17 **ORDER**

18 THEREFORE, on the basis of the Findings of Fact and Conclusions of Law, the
19 Commission finds that the following Order is appropriate, in the public interest and necessary for the
20 protection of investors.

21 IT IS ORDERED, pursuant to A.R.S. § 44-2032, RESPONDENTS shall permanently cease
22 and desist from the conduct alleged herein.
23

24 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS jointly
25 and severally shall make monetary restitution in the amount of \$3,362,579.08 as set forth in the
26 records obtained by the Securities Division.

1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, RESPONDENTS shall jointly
2 and severally pay an administrative penalty in the amount of \$50,000, by certified check payable to
3 the Treasurer of the State of Arizona for deposit into its general fund, due and payable after all
4 restitution payments required by this Order have been made.

5 IT IS FURTHER ORDERED that RESPONDENTS shall pay \$500,000, by certified check,
6 by November 29, 1999. In addition, RESPONDENTS shall pay, by certified funds:

- 7 a. On January 3, 2000, \$10,000 plus an additional 75% of all income greater than
8 \$10,000, net of taxes, for the prior three months, after reasonable monthly expenses
9 as allowed by guidelines set by the United States Bankruptcy Trustee's Office for
10 monthly expenses allowed in individual bankruptcy cases;
- 11 b. On April 3, 2000, \$20,000 plus an additional 75% of all income greater than
12 \$20,000, net of taxes, for the prior three months, after reasonable monthly expenses
13 as allowed by guidelines set by the United States Bankruptcy Trustee's Office for
14 monthly expenses allowed in individual bankruptcy cases ; and
- 15 c. On July 3, 2000, and every three months thereafter starting with September 1, 2000
16 until all restitution and penalty amounts are paid in full, \$30,000 plus an additional
17 75% of all income greater than \$30,000, net of taxes, for the prior three months, after
18 reasonable monthly expenses as allowed by guidelines set by the United States
19 Bankruptcy Trustee's Office for monthly expenses allowed in individual bankruptcy
20 cases.
21 cases.
22

23 IT IS FURTHER ORDERED that RESPONDENTS shall pay interest on all unpaid amounts
24 of restitution accruing from the date of entry of the Order, at the statutory rate of ten percent per
25 annum pursuant to A.A.C. R14-4-308, until the amounts are paid in full.

26 IT IS FURTHER ORDERED that with every quarterly payment, RESPONDENTS shall

1 provide to the Commission a sworn financial statement, in a format approved by the Commission,
2 listing all income and financial information of RESPONDENTS for the prior three month period.

3 IT IS FURTHER ORDERED that if RESPONDENTS are in complete compliance with this
4 Order, the Commission will not record a judgment or seek to utilize legally allowed methods of
5 collection against RESPONDENTS. If RESPONDENTS fail to provide the \$500,000 payment
6 within the time required, fail to make any quarterly payment, fail to provide the quarterly sworn
7 financial statements, provide untrue information in the sworn financial statement or otherwise fail to
8 completely and fully comply with this Order, the Commission, in its sole discretion, may then
9 declare RESPONDENTS in default and utilize all methods of collection allowed by law in order to
10 immediately collect and obtain the full restitution amount and penalty. RESPONDENTS shall be
11 allowed five business days beyond the due date for all payments or providing the sworn financial
12 statement before they can be declared in default.
13

14 IT IS FURTHER ORDERED that restitution funds shall be deposited in an interest bearing
15 account through the office of Arizona Attorney General for the benefit of investors. The Attorney
16 General shall disburse the available funds on a pro rata basis to investors as reflected in the records
17 of the Securities Division. If any disbursement check issued by the Attorney General either is not
18 deliverable or has not cleared the trust account within 120 days of the date of issuance, the funds
19 related to such check shall be redistributed to the known investors. If all investors are paid in full,
20 including interest, any returned funds shall revert to the State of Arizona payable to the Treasurer.
21

22 IT IS FURTHER ORDERED that at the time of executing the consent to this ORDER,
23 LAWSON shall execute a lien in favor of the Commission, in the amount of \$500,000, to be placed
24 against his separate property interest and his share of the community property interest in the boat
25 Mika, Coast Guard Registration Number 1026603. The Commission agrees that it will release the
26 lien if it receives payment of \$500,000 on or before November 29, 1999.

1 7. RESPONDENTS acknowledge that this Order resolves only administrative
2 violations of the Act and that nothing contained in the Order purports to resolve any other issues
3 which may exist between RESPONDENTS and the State. Nothing in the Order shall be construed
4 to restrict or preclude any other agency or officer of the State of Arizona or its subdivisions from
5 initiating other civil or criminal proceedings against RESPONDENTS, now or in the future, that
6 may be related to the matter addressed by the Order and the Consent. Nothing in the Order shall
7 be construed to restrict the State's right in a future proceeding to bring an action against
8 RESPONDENTS from or related to facts not set forth in the Order.

9 8. RESPONDENTS acknowledge that they have been informed and understand that
10 the Commission or its designee, at the Commission's sole and exclusive discretion, may refer or
11 grant access to this matter, or any information or evidence gathered in connection with this matter,
12 to any person or entity having appropriate administrative, civil or criminal jurisdiction.
13 RESPONDENTS acknowledge that no representations regarding the above have been made so as
14 to induce them to enter into this Order, including the fact that no promise or representation has
15 been made by the Commission or its designee or staff with regard to any potential criminal liability
16 or immunity from any potential criminal liability.

17 9. RESPONDENTS understand that it is the Commission's policy not to permit a
18 Respondent to settle an action by consenting to an order that imposes a sanction while denying
19 the allegations in the Notice. RESPONDENTS further understand that the Commission's
20 acceptance of a settlement in this matter is based upon compliance with this policy by
21 RESPONDENTS in any statements concerning this proceeding. If Respondents breach this
22 agreement, the Commission may move to vacate this Order and restore this case to its active
23 docket.
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10. John Lawson represents that he is the President of Premiere Financial Group, Inc. and Heritage Properties, Inc. and has been authorized by them to enter into this Order for and on behalf of them. John Lawson represents that he is authorized by law to enter into this Order for and on behalf of Estate Guardian Financial Services, Inc.

PREMIERE FINANCIAL GROUP, INC..

BY: [Signature]
John Lawson
President

SUBSCRIBED AND SWORN TO BEFORE me this 20th day of October, 1999.

[Signature]
NOTARY PUBLIC

My Commission Expires:



HERITAGE PROPERTIES, INC..

BY: [Signature]
John Lawson
President

SUBSCRIBED AND SWORN TO BEFORE me this 20th day of October, 1999.

[Signature]
NOTARY PUBLIC

My Commission Expires:



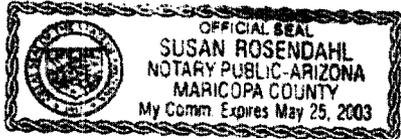
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ESTATE GUARDIAN FINANCIAL SERVICES, INC.,

BY: *[Signature]*
John Lawson
TITLE:

SUBSCRIBED AND SWORN TO BEFORE me this 20th day of October, 1999.

[Signature]
NOTARY PUBLIC



My Commission Expires:

[Signature]
JOHN H. LAWSON

SUBSCRIBED TO AND SWORN BEFORE ME this 20th day of October, 1999.

[Signature]
NOTARY PUBLIC



My Commission Expires:
