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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

Arizona Corporation Commission
DOCKETED
JUN 01 2006
DOCKETED BY CAR

Decision No. 68720

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

Mark Alan Melkowski, Sr.
2173 East La Vieve Lane
Tempe, AZ 85284

Eagle Communications, Inc.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

Eagle One Financial & Tax, LLC
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

Ronald Lee Goble, individually and
dba Southwest Trust & Financial
6243 East Gelding Drive
Scottsdale, AZ 85254

Gary Lyle Christian, individually and
dba Cornerstone Senior Planning
28576 N. 124th Drive
Peoria, AZ 85383

Hyland A. Stokes
5570 East Via Montoya Drive
Phoenix, AZ 85054

Estate Planning Protection, Inc.
5570 East Via Montoya Drive
Phoenix, AZ 85054

DOCKET NO. S-03396A-01-0000
DOCKET NO. S-03441A-01-0000
DOCKET NO. S-03444A-01-0000

AMENDED ORDER TO CEASE AND DESIST, AMENDED ORDER OF RESITUTION, AMENDED ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENTS TO SAME

BY: RESPONDENTS

MARK ALAN MELKOWSKI, SR., individually and EAGLE COMMUNICATIONS, INC., and EAGLE ONE FINANCIAL & TAX, LLC;

RONALD LEE GOBLE, individually and dba SOUTHWEST TRUST & FINANCIAL;

ROGER LANCETTE, individually and dba NATIONAL ESTATE PLANNING SERVICE AND PLANNING and SENIOR ADVISORY SERVICES;

GARY L. CHRISTIAN, individually and dba CORNERSTONE SENIOR PLANNING;

HYLAND A. STOKES and ESTATE PLANNING PROTECTION, INC.;

WALLACE BUTTERWORTH, individually and dba BUTTERWORTH ADVISORY SERVICES and SENIOR ADVISORY SERVICES;

Roger Lancette, individually and dba National Estate Service and Planning and Senior Advisory Services 8275 East Bell Road #1203E Scottsdale, AZ 85260 Wallace Butterworth, individually and dba Senior Advisory Services and Butterworth Advisory Services 1411 East Orangewood Avenue #239 Phoenix, AZ 85020 William E. Bergh, individually and dba National Financial Group 9501 W. Camino De Oro Peoria, AZ 85382 World Wide Business Opportunities, LLC 11024 N. 24th Drive, Suite 200 Phoenix, AZ 85029 CRD #728693 Respondents.	**WILLIAM E. BERGH, individually and dba NATIONAL FINANCIAL GROUP; and WORLD WIDE BUSINESS OPPORTUNITIES, LLC** **Decision No. _____**

Respondents MARK ALAN MELKOWSKI, SR., individually, and EAGLE COMMUNICATIONS, INC., and EAGLE ONE FINANCIAL & TAX, LLC; RONALD LEE GOBLE, individually and dba SOUTHWEST TRUST & FINANCIAL; ROGER LANCETTE, individually and dba NATIONAL ESTATE PLANNING SERVICE AND PLANNING and SENIOR ADVISORY SERVICES; GARY L. CHRISTIAN, individually and dba CORNERSTONE SENIOR PLANNING; HYLAND A. STOKES and ESTATE PLANNING PROTECTION, INC.; WALLACE BUTTERWORTH, individually and dba BUTTERWORTH ADVISORY SERVICES and SENIOR ADVISORY SERVICES; and WILLIAM E. BERGH, individually and dba NATIONAL FINANCIAL GROUP; and WORLD WIDE BUSINESS OPPORTUNITIES, LLC (collectively "Respondents") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801, *et. seq.* ("Securities Act") with respect to this Amended Order To Cease And Desist, Amended

Order Of Restitution, and Amended Order For Administrative Penalties ("Amended Order"). Respondents admit the jurisdiction of the Arizona Corporation Commission ("Commission"); admit for purposes of this proceeding and any other administrative proceeding before the Commission, the Findings of Fact and Conclusions of Law contained in this Amended Order; and consent to the entry of this Amended Order by the Commission.

This Amended Order is intended to, and shall operate to, supercede and amend Respondents' liabilities to the State of Arizona previously set forth in Decisions and Orders in Docket Numbers S-03396A-01-0000, S-03441A-01-0000 and S-03444A-01-0000, wherein these Respondents Consented to Entry of Orders Numbered 64185, 64203, 64202, 64040, 64184, 64006 and 63851 (the "Order" or "Orders"). These Orders are attached as Exhibits 1-7. The Commission and Respondents agree that the Commission's jurisdiction, if any, over Respondents' marital communities is governed by the law in effect as of the dates of the original Orders.

I. FINDINGS OF FACT

1. During 2001, Respondents all consented to the entry of Orders against them for violations of Arizona securities laws in connection with various business offerings known as World Cash, Mobile Cash and/or Hotel Connect.

2. The above referenced Orders imposed administrative penalties and restitution liabilities against Respondents for these violations of Arizona securities laws.

3. Those Orders were transcripted into the Superior Court of Arizona pursuant to A.R.S. § 44-2036(C).

4. Subsequent to transcription of those Orders, in 2002, Respondents filed suit, in Maricopa County Superior Court case CV2002-019945 (the "Lawsuit"), against Douglas Dunipace, Esq., Mrs. Dunipace, and Jennings, Strouss & Salmon, PLC (collectively "Jennings"), asserting claims of malpractice, negligent misrepresentation, and negligent supervision. Respondents' claims

were based upon alleged erroneous legal advice that the World Cash and Mobile Cash business offerings were not securities under the Securities Act and could be sold without registration.

5. Respondents filed the Lawsuit as married men (with the exception of Respondent Butterworth, who filed as a single man).

6. Respondents' stated primary purpose in pursuing these claims against Jennings was to demonstrate that Respondents had relied upon an experienced securities lawyer's legal opinions, which Respondents did not know were erroneous, that the World Cash and Mobile Cash business offerings were not securities and, therefore, could be sold without registration under the Securities Act, and to obtain a recovery that could be used to satisfy the Commission Orders and enable the Commission to make distributions to the investors who lost monies in the World Cash and Mobile Cash business offerings.

7. Respondents and Jennings, in order to avoid costly and time-consuming litigation, agreed to fully resolve Respondents' claims in CV2002-019945 for payment of $3.25 million dollars as is reflected in a formal Settlement Agreement and General Release ("Jennings Settlement"). The Jennings Settlement is attached as Exhibit 8. The Commission and the Arizona Attorney General's Office are not parties to, nor bound by the terms of, the Jennings Settlement.

8. The Commission, pursuant to A.R.S. § 41-192, by and through its counsel, the Arizona Attorney General, negotiated a settlement with Respondents for claims the State asserted against the proceeds of the Jennings Settlement.

9. Respondents agree to forego receipt of any monies from the Jennings Settlement.

10. Respondents agree to cause the proceeds of the Jennings Settlement to be disbursed as follows:

a. $2,146,786.69 shall be paid to the State of Arizona as restitution in connection with the World Cash and Mobile Cash business offerings;

b. $30,713.31 shall be remitted to the State of Arizona to satisfy the Commission's Order number 63851; and

c. $1,072,500.00 shall be used exclusively to pay Respondents' attorneys for their share of the proceeds of the Jennings settlement, and to satisfy any claims that the bankruptcy estates of Respondents Bergh and Christian have to the proceeds of the Jennings Settlement.

11. The Commission, in issuing this Amended Order, and Respondents, in consenting to this Amended Order, intend that this Amended order shall operate to eliminate Respondents' liabilities, including any alleged liabilities of their individual marital communities, to the State of Arizona with respect to the World Cash and Mobile Cash offerings that were previously set forth in the Commission's Decisions and Orders, and to also confirm the continuing liability of Respondents Melkowski, Goble, Lancette, Christian, Stokes and Butterworth for the penalties and restitution amounts previously consented to by these Respondents in connection with the Hotel Connect business offering under the Orders.

12. The Commission, in issuing this Amended Order, and Respondents in consenting to this Amended Order, further intend that this Amended Order does not, and shall not be used to, impair, improve or otherwise affect the respective positions of the State and Respondents listed in paragraph 11 with respect to the issues of: (a) any joint and several liability for the liabilities to the State as reflected in this Amended Order, and (b) any liability of the individual Respondents' marital communities for the liabilities to the State as reflected in this Amended Order.

A. Respondents Mark Alan Melkowski, SR., individually and dba Eagle Communications, Inc., and Eagle One Financial & Tax, LLC ("Melkowski")

13. Melkowski, whose address of record is 2173 East La Vieve Lane, Tempe, AZ 85284, executed a Consent to Entry of Order number 64006 on August 9, 2001. That Order became final on August 30, 2001. The Findings of Fact related to the Hotel Connect business offering contained in Decision number 64006 (a copy of which is attached hereto as Exhibit 1) are hereby incorporated by reference.

B. Respondent Ronald Lee Goble; individually and dba Southwest Trust & Financial ("Goble")

14. Goble, whose address of record is 6243 East Gelding Drive, Scottsdale, AZ 85254, executed a Consent to Entry of Order number 64040 on August 10, 2001. That Order became final on September 18, 2001. The Findings of Fact related to the Hotel Connect business offering contained in Decision number 64040 (a copy of which is attached hereto as Exhibit 2) are hereby incorporated by reference.

C. Respondent Roger Lancette, individually and dba National Estate Planning Service and Planning, and Senior Advisory Services (collectively "Lancette")

15. Lancette, whose address of record is 8275 East Bell Road #1203E, Scottsdale, AZ 85260, executed a Consent to Entry of Order number 64185 on October 9, 2001. That Order became final on October 30, 2001. The Findings of Fact related to the Hotel Connect business offering contained in Decision number 64185 (a copy of which is attached hereto as Exhibit 3) are hereby incorporated by reference.

D. Respondent Gary L. Christian, individually and dba Cornerstone Senior Planning ("Christian")

16. Christian, whose address of record is 28576 N. 124th Drive, Peoria, AZ 85383, executed a Consent to Entry of Order number 64202 on October 15, 2001. That Order became final on November 8, 2001. The Findings of Fact related to the Hotel Connect business offering contained in Decision number 64202 (a copy of which is attached hereto as Exhibit 4) are hereby incorporated by reference.

E. Respondents Hyland A. Stokes and Estate Planning Protection, Inc. ("Stokes")

17. Stokes, whose address of record is 5570 East Via Montoya Drive, Phoenix, AZ 85054, executed a Consent to Entry of Order number 64203 on October 16, 2001. That Order became final on November 8, 2001. The Findings of Fact related to the Hotel Connect business offering contained in Decision number 64203 (a copy of which is attached hereto as Exhibit 5) are hereby incorporated by reference.

F. Respondent Wallace Butterworth, individually and dba Butterworth Advisory Services and Senior Advisory Services (Butterworth")

18. Butterworth, whose address of record is 1411 East Orangewood Avenue #239, Phoenix, AZ 85020, executed a Consent to Entry of Order number 64184 on November 15, 2001. That Order became final on November 30, 2001. The Findings of Fact related to the Hotel Connect business offering contained in Decision number 64184 (a copy of which is attached hereto as Exhibit 6) are hereby incorporated by reference.

G. Respondents William Bergh, individually and dba as National Financial Group and World Wide Business Opportunities, LLC (collectively "Bergh")

19. Bergh, whose address of record is 9501 W. Camino De Oro, Peoria, AZ 85382, executed a Consent to Entry of Order number 63851 on May 29, 2001. That Order became final on June 28, 2001 (Attached as Exhibit 7).

II. CONCLUSIONS OF LAW

A. Respondents Melkowski

1. The Conclusions of Law set forth in Order number 64006 (Exhibit 1 hereto) as against Respondents Melkowski are hereby incorporated by reference.

B. Respondent Goble

2. The Conclusions of Law set forth in Order number 64040 (Exhibit 2 hereto) as against the Respondent Goble are hereby incorporated by reference.

C. Respondent Lancette

3. The Conclusions of Law set forth in Order number 64185 (Exhibit 3 hereto) as against Respondents Lancette are hereby incorporated by reference.

D. Respondent Christian

4. The Conclusions of Law set forth in Order number 64202 (Exhibit 4 hereto) as against Respondents Christian are hereby incorporated by reference.

E. Respondents Stokes

5. The Conclusions of Law set forth in Order number 64203 (Exhibit 5 hereto) as against Respondents Stokes are hereby incorporated by reference.

F. Respondent Butterworth

6. The Conclusions of Law set forth in Order number 64184 (Exhibit 6 hereto) as against Respondents Butterworth are hereby incorporated by reference.

G. Respondents Bergh

7. The Conclusions of Law set forth in Order number 63851 (Exhibit 7 hereto) as against Respondents Bergh are hereby incorporated by reference.

III. ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondents' Consent to Entry of this Amended Order, attached and incorporated by reference, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

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

IT IS FURTHER ORDERED, approving the settlement of claims of the Commission against Respondents for the World Cash and Mobile Cash business offerings in consideration of receipt by the State of $2,177,500.00, to be paid directly to the State of Arizona, c/o the Arizona Attorney General's Office, from the proceeds of the Jennings Settlement, out of an escrow or trust account, immediately upon execution of this Amended Order, which shall be disbursed in accordance with, and for the purpose set forth in, paragraph 10 (a) and (b) above.

IT IS FURTHER ORDERED, that all Respondents comply with their attached Consent to Entry of Order.

IT IS FURTHER ORDERED, that if Respondents fail to comply with the terms of this Amended Order or with the terms of Respondents' respective Consent(s) to Entry of this Amended Order, the Commission may bring further legal proceedings against Respondents, including, but not limited to, an application to the Superior Court for an order of contempt.

IT IS FURTHER ORDERED, Pursuant to A.R.S. § 44-2032 and A.R.S. § 44-2003(A), Respondents Melkowski, Goble, Lancette, Christian, Stokes and Butterworth shall, jointly and severally, but only if and to the extent set forth in Order numbers 64185, 64203, 64202, 64040, 64184 and 64006, with each other and with Respondents subject to Decision and Order No. 64041, dated September 18, 2001 (attached hereto as Exhibit 9), pay restitution to the Commission in the amounts set forth below, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. Payment shall be made by certified funds made payable to the "State of Arizona, c/o the Arizona Attorney General" to be placed in an interest bearing account maintained and controlled by the office of the Attorney General. The Attorney General shall disburse the funds on a proportional basis to Hotel Connect investors shown on the records of the Commission. If additional Hotel Connect investors are later discovered, Respondents shall pay claims of those investors under the terms of this Amended Order. Any funds that the Attorney General is unable to disburse shall revert to the general fund of the State of Arizona:

A. Respondents Melkowski shall pay restitution in the amount of $870,000.00.

B. Respondent Goble shall pay restitution in the amount of $400,000.00.

C. Respondent Lancette shall pay restitution in the amount of $610,000.00.

D. Respondent Christian shall pay restitution in the amount of $520,000.00.

E. Respondents Stokes shall pay restitution in the amount of $1,120,000.00.

F. Respondent Butterworth shall pay restitution in the amount of $260,000.00.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036 and A.R.S. § 44-2003(A), that each Respondent Melkowski, Goble, Lancette, Christian, Stokes and Butterworth shall, jointly and severally, but only if and to the extent set forth in Order numbers 64185, 64203, 64202, 64040, 64184 and 64006, with each other and with Respondents subject to Decision and Order No. 64041, dated September 18, 2001 (attached hereto as Exhibit 9), pay an administrative penalty in the amount specified below, plus interest at the rate of 10% per annum from the date of their respective original Order until paid in full. Payment shall be made by certified funds payable to the "State of Arizona, c/o the Arizona Attorney General."

A. Respondents Melkowski shall pay an administrative penalty in the amount of $25,000.00.

B. Respondent Goble shall pay an administrative penalty in the amount of $25,000.00.

C. Respondent Lancette shall pay an administrative penalty in the amount of $25,000.00.

D. Respondent Christian shall pay an administrative penalty in the amount of $25,000.00.

E. Respondents Stokes shall pay an administrative penalty in the amount of $25,000.00.

F. Respondent Butterworth shall pay an administrative penalty in the amount of $25,000.00.

IT IS FURTHER ORDERED, that this Amended Order shall become effective immediately; provided, however, that the State shall receive $2,177,500.00 directly from the Jennings Settlement, that such amount shall not be subject to any claims by any creditors of the Respondents, including, without limitation, any claims for attorneys' fees or legal expenses or any bankruptcy estates, and provided that if the $2,177,500 is not received directly from the Jennings Settlement, this Amended Order shall be of no force or effect and Respondents shall remain bound by the original Orders. All restitution and penalties payments are due upon entry of this Amended Order.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Director 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 1st day of June, 2006

BRIAN C. McNEIL
Executive Director

DISSENT

DISSENT

This document is available in alternative formats by contacting Linda Hogan, Executive Assistant to the Executive Director, voice phone number 602-542-3931, E-mail lhogan@azcc.gov.

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CONSENT TO ENTRY OF AMENDED ORDER

1. Respondents MARK ALAN MELKOWSKI, SR., EAGLE ONE FINANCIAL & TAX, LLC and EAGLE COMMUNICATIONS, INC. (collectively "Respondents Melkowski") admit the jurisdiction of the Commission over the subject matter of this proceeding. Respondents Melkowski acknowledge that they have been fully advised of their rights and have voluntarily waived any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondents Melkowski acknowledge that this Amended Order constitutes a valid final order of the Commission.

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

3. Respondents Melkowski acknowledge and agree that this Amended Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Respondents Melkowski acknowledges that they have been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, they have reviewed this Amended Order with their attorney and understand all terms it contains.

5. Respondents Melkowski admit only for purposes of this proceeding and any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in the original Order numbered 64006.

6. Respondents Melkowski agree that they shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission.

7. By consenting to the entry of this Amended Order, Respondents Melkowski agree not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in

Order number 64006 or creating the impression that this Amended Order is without factual basis. Respondents Melkowski will undertake steps necessary to assure that all of their agents and employees understand and comply with this agreement. Nothing in this provision affects Respondents Melkowski's testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondents Melkowski and the Commission, Respondents Melkowski understand that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 64006.

9. Respondents Melkowski understand that this Amended Order does not preclude the Commission from referring this matter to any governmental agency for administrative, civil, or criminal proceedings that may be related to the matters addressed by this Amended Order or by Order number 64006.

10. Respondents Melkowski understand that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64006.

11. Respondents Melkowski agree that they will never apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative. Further, Respondents Melkowski agree that they will not offer to sell, directly or indirectly, securities or provide investment advisory services within or from Arizona.

12. Respondents Melkowski agree that they will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona.

13. Respondents Melkowski agree that until restitution and penalties are paid in full, they shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondents Melkowski understand that default shall render them liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondents Melkowski agree and understand that they will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 64006.

16. Respondents Melkowski consent to the entry of this Amended Order and agree to be fully bound by its terms and conditions.

17. MARK ALAN MELKOWSKI, SR. represents that he is President of EAGLE ONE and EAGLE COMMUNICATIONS, INC., and has been authorized by EAGLE ONE and EAGLE COMMUNICATIONS, INC., to enter into this Amended Order for and on behalf of them.

MARK ALAN MELKOWSKI, SR.

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

Alice M. Talbot
NOTARY PUBLIC

My commission expires:

9-12-2007

EAGLE ONE FINANCIAL & TAX, LLC

By: Mark Alan Melkowski, Sr., President

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

Alice M. Talbot
NOTARY PUBLIC

My commission expires:

9-12-2007

EAGLE COMMUNICATIONS, INC.

By: Mark Alan Melkowski, Sr., President

SUBSCRIBED AND SWORN TO BEFORE me this 9th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

Alice M. Talbot
NOTARY PUBLIC

My commission expires:

Sept 12, 2007

CONSENT TO ENTRY OF AMENDED ORDER

1. Respondent RONALD LEE GOBLE, individually and doing business as SOUTHWEST TRUST & FINANCIAL ("Respondent Goble") admits the jurisdiction of the Commission over the subject matter of this proceeding. Respondent Goble acknowledges that he has been fully advised of his rights and voluntarily waives any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent Goble acknowledges that this Amended Order constitutes a valid final order of the Commission.

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

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

4. Respondent Goble acknowledges that he has been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, he has reviewed this Amended Order with his attorney and understands all terms it contains.

5. Respondent Goble admits only for purposes of this proceeding and any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in Order numbered 64040.

6. Respondent Goble agrees that he shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission.

7. By consenting to the entry of this Amended Order, Respondent Goble agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in Order number 64040 or creating the impression that this Amended Order is without factual basis. Respondent Goble will undertake steps necessary to assure that all of his agents and employees understand

and comply with this agreement. Nothing in this provision affects Respondent Goble's testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondent Goble and the Commission, Respondent Goble understands that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 64040.

9. Respondent Goble understands that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64040.

10. Respondent Goble understands that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64040.

11. Respondent Goble agrees that he will never apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative. Further, Respondent Goble agrees that he will not offer to sell, directly or indirectly, securities or provide investment advisory services within or from Arizona.

12. Respondent Goble agrees that he will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona.

13. Respondent Goble agrees that until restitution and penalties are paid in full, he shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondent Goble understands that default shall render him liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondent Goble agrees and understands that he will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 64040.

16. Respondent Goble consents to the entry of this Amended Order and agrees to be fully bound by its terms and conditions.

RONALD LEE GOBLE

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

NOTARY PUBLIC

My commission expires:

Sept 12, 2007

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

CONSENT TO ENTRY OF AMENDED ORDER

1. Respondent ROGER LANCETTE, individually and doing business as NATIONAL ESTATE SERVICE AND PLANNING and SENIOR ADVISORY SERVICES ("Respondent Lancette") admits the jurisdiction of the Commission over the subject matter of this proceeding. Respondent Lancette acknowledges that he has been fully advised of his rights and voluntarily waives any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent Lancette acknowledges that this Amended Order constitutes a valid final order of the Commission.

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

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

4. Respondent Lancette acknowledges that he has been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, he has reviewed this Amended Order with his attorney and understands all terms it contains.

5. Respondent Lancette admits only for purposes of this proceeding and any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in Order numbered 64185.

6. Respondent Lancette agrees that he shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission.

7. By consenting to the entry of this Amended Order, Respondent Lancette agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in Order number

64185 or creating the impression that this Amended Order is without factual basis. Respondent Lancette will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects Respondent Lancette's testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondent Lancette and the Commission, Respondent Lancette understands that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 64185.

9. Respondent Lancette understands that this Amended Order does not preclude the Commission from referring this matter to any governmental agency for administrative, civil, or criminal proceedings that may be related to the matters addressed by this Amended Order or by Order number 64185.

10. Respondent Lancette understands that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64185.

11. Respondent Lancette agrees that he will never apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative. Further, Respondent Lancette agrees that he will not offer to sell, directly or indirectly, securities or provide investment advisory services within or from Arizona.

12. Respondent Lancette agrees that he will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona.

13. Respondent Lancette agrees that until restitution and penalties are paid in full, he shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondent Lancette understands that default shall render him liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondent Lancette agrees and understands that he will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 64185.

16. Respondent Lancette consents to the entry of this Amended Order and agrees to be fully bound by its terms and conditions.

ROGER LANCETTE

SUBSCRIBED AND SWORN TO BEFORE me this 8 day of May, 2006.

NOTARY PUBLIC

My commission expires:

5.1.2010

JAMES R. EVANS NOTARY PUBLIC STATE OF WISCONSIN

CONSENT TO ENTRY OF AMENDED ORDER

1. Respondent GARY LYLE CHRISTIAN, individually and doing business as CORNERSTONE SENIOR PLANNING ("Respondent Christian") admits the jurisdiction of the Commission over the subject matter of this proceeding. Respondent Christian acknowledges that he has been fully advised of his rights and voluntarily waives any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent Christian acknowledges that this Amended Order constitutes a valid final order of the Commission.

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

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

4. Respondent Christian acknowledges that he has been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, he has reviewed this Amended Order with his attorney and understands all terms it contains.

5. Respondent Christian admits only for purposes of this proceeding and any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in Order numbered 64202.

6. Respondent Christian agrees that he shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission or any other State agency concerning the denial or issuance of any license or registration required by the State to engage in the practice of any business or profession.

7. By consenting to the entry of this Amended Order, Respondent Christian agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in Order number 64202 or creating the impression that this Amended Order is without factual basis. Respondent Christian will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects Respondent Christian's testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondent Christian and the Commission, Respondent Christian understands that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 64202.

9. Respondent Christian understands that this Amended Order does not preclude the Commission from referring this matter to any governmental agency for administrative, civil, or criminal proceedings that may be related to the matters addressed by this Amended Order or by Order number 64202.

10. Respondent Christian understands that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64202.

11. Respondent Christian agrees that he will not apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative until such time as all restitution and penalties under this Amended Order are paid in full.

12. Respondent Christian agrees that he will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona until such time as all restitution and penalties under this Amended Order are paid in full.

13. Respondent Christian agrees that until restitution and penalties are paid in full, he shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondent Christian understands that default shall render him liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondent Christian agrees and understands that he will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 64202.

16. Respondent Christian consents to the entry of this Amended Order and agrees to be fully bound by its terms and conditions.

GARY LYLE CHRISTIAN

SUBSCRIBED AND SWORN TO BEFORE me this 5th day of May, 2006.

Alice M. Talbot
NOTARY PUBLIC

My commission expires:

Sept 12, 2007

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

CONSENT TO ENTRY OF AMENDED ORDER

1. Respondents HYLAND A. STOKES and ESTATE PLANNING PROTECTION, INC. (collectively "Respondents Stokes") admit the jurisdiction of the Commission over the subject matter of this proceeding. Respondents Stokes acknowledge that they have been fully advised of their rights and have voluntarily waived any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondents Stokes acknowledge that this Amended Order constitutes a valid final order of the Commission.

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

3. Respondents Stokes acknowledge and agree that this Amended Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Respondents Stokes acknowledges that they have been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, they have reviewed this Amended Order with their attorney and understand all terms it contains.

5. Respondents Stokes admit only for purposes of this proceeding and any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in the original Order numbered 64203.

6. Respondents Stokes agree that they shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission.

7. By consenting to the entry of this Amended Order, Respondents Stokes agree not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in Order number 64203 or creating the impression that this Amended Order is without factual basis. Respondents Stokes will undertake steps necessary to assure that all of their agents and employees understand

and comply with this agreement. Nothing in this provision affects Respondents Stokes testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondents Stokes and the Commission, Respondents Stokes understand that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 64203.

9. Respondents Stokes understand that this Amended Order does not preclude the Commission from referring this matter to any governmental agency for administrative, civil, or criminal proceedings that may be related to the matters addressed by this Amended Order or by Order number 64203.

10. Respondents Stokes understand that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64203.

11. Respondents Stokes agree that they will not apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative until such time as all restitution and penalties under this Amended Order are paid in full.

12. Respondents Stokes agree that they will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona until such time as all restitution and penalties under this Amended Order are paid in full.

13. Respondents Stokes agree that until restitution and penalties are paid in full, they shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondents Stokes understand that default shall render them liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondents Stokes agree and understand that they will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 64203.

16. Respondents Stokes consent to the entry of this Amended Order and agree to be fully bound by its terms and conditions.

17. HYLAND A. STOKES represents that he is President of ESTATE PLANNING PROTECTION, INC., and has been authorized by ESTATE PLANNING PROTECTION, INC., to enter into this Amended Order for and on behalf of them.

HYLAND A. STOKES

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

NOTARY PUBLIC

My commission expires:

Sept 12, 2007

ESTATE PLANNING PROTECTION, INC.

By: Hyland A. Stokes, President

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

NOTARY PUBLIC

My commission expires:

Sept 12, 2007

CONSENT TO ENTRY OF AMENDED ORDER

1. Respondent WALLCE BUTTERWORTH, individually and doing business as BUTTERWORTH ADVISORY SERVICES and SENIOR ADVISORY SERVICES ("Respondent Butterworth") admits the jurisdiction of the Commission over the subject matter of this proceeding. Respondent Butterworth acknowledges that he has been fully advised of his rights and voluntarily waives any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent Butterworth acknowledges that this Amended Order constitutes a valid final order of the Commission.

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

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

4. Respondent Butterworth acknowledges that he has been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, he has reviewed this Amended Order with his attorney and understands all terms it contains.

5. Respondent Butterworth admits only for purposes of this proceeding and for any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in Order numbered 64184.

6. Respondent Butterworth agrees that he shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission.

7. By consenting to the entry of this Amended Order, Respondent Butterworth agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in

Order number 64184 or creating the impression that this Amended Order is without factual basis. Respondent Butterworth will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects Respondent Butterworth's testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondent Butterworth and the Commission, Respondent Butterworth understands that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 64184.

9. Respondent Butterworth understands that this Amended Order does not preclude the Commission from referring this matter to any governmental agency for administrative, civil, or criminal proceedings that may be related to the matters addressed by this Amended Order or by Order number 64184.

10. Respondent Butterworth understands that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 64184.

11. Respondent Butterworth agrees that he will never apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative. Further, Respondent Butterworth agrees that he will not offer to sell, directly or indirectly, securities or provide investment advisory services within or from Arizona.

12. Respondent Butterworth agrees that he will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona.

13. Respondent Butterworth agrees that until restitution and penalties are paid in full, he shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondent Butterworth understands that default shall render him liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondent Butterworth agrees and understands that he will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 64184.

16. Respondent Butterworth consents to the entry of this Amended Order and agrees to be fully bound by its terms and conditions.

WALLACE BUTTERWORTH

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

NOTARY PUBLIC

My commission expires:

June 11, 2009

DAWN L. DRAKE
Notary Public - Arizona
Maricopa County
My Commission Expires
January 11, 2009

CONSENT TO ENTRY OF AMENDED ORDER

1. Respondents WILLIAM E. BERGH, individually and dba NATIONAL FINANCIAL GROUP; and WORLD WIDE BUSINESS OPPORTUNITIES, LLC (collectively "Respondents Bergh") admit the jurisdiction of the Commission over the subject matter of this proceeding. Respondents Bergh acknowledge that they have been fully advised of their rights and have voluntarily waived any and all rights available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondents Bergh acknowledge that this Amended Order constitutes a valid final order of the Commission.

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

3. Respondents Bergh acknowledge and agree that this Amended Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Respondents Bergh acknowledges that they have been represented by an attorney in this matter, Michael Parrish of Stinson Morrison Hecker LLP, they have reviewed this Amended Order with their attorney and understand all terms it contains.

5. Respondents Bergh admit only for purposes of this proceeding and any other administrative proceeding before the Commission the Findings of Fact and Conclusions of Law contained in this Amended Order and in the original Order numbered 63851.

6. Respondents Bergh agree that they shall not contest the validity of the Findings of Fact and Conclusions of Law referenced in Paragraph 5 in any present or future administrative proceeding before the Commission.

7. By consenting to the entry of this Amended Order, Respondents Bergh agree not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Amended Order or in Order number 63851 or creating the impression that this Amended Order is without factual basis. Respondents

Bergh will undertake steps necessary to assure that all of their agents and employees understand and comply with this agreement. Nothing in this provision affects Respondents Bergh's testimonial obligations or right to take a legal position in litigation in which the Commission is not a party.

8. While this Amended Order settles this matter between Respondents Bergh and the Commission, Respondents Bergh understand that this Amended Order does not preclude the Commission from instituting other administrative or judicial proceedings based upon violations that are not addressed by this Amended Order or by Order number 63851.

9. Respondents Bergh understand that this Amended Order does not preclude the Commission from referring this matter to any governmental agency for administrative, civil, or criminal proceedings that may be related to the matters addressed by this Amended Order or by Order number 63851.

10. Respondents Bergh understand that this Amended Order does not preclude any other agency or officer of the State of Arizona or its subdivisions from instituting administrative, civil, or criminal proceedings that may be related to matters addressed by this Amended Order or by Order number 63851.

11. Respondents Bergh agree that they will never apply to the State of Arizona for registration as a securities dealer or salesman or for licensure as an investment advisor or investment advisor representative. Further, Respondents Bergh agree that they will not offer to sell, directly or indirectly, securities or provide investment advisory services within or from Arizona.

12. Respondents Bergh agree that they will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona.

13. Respondents Bergh agree that until restitution and penalties are paid in full, they shall notify the Director of the Securities Division within 30 days of any change in home address and any change in ability to pay amounts due under this Amended Order.

14. Respondents Bergh understand that default shall render them liable to the Commission for the costs of collection and interest at the maximum legal rate.

15. Respondents Bergh agree and understand that they will continue to co-operate with the Securities Division including, but not limited to, co-operating with the State of Arizona in any related investigation or any other matters arising from the activities described in this Amended Order or in Order number 63851.

16. Respondents Bergh consent to the entry of this Amended Order and agree to be fully bound by its terms and conditions.

17. WILLIAM E. BERGH represents that he is President of WORLD WIDE BUSINESS OPPORTUNITIES, LLC, and has been authorized by WORLD WIDE BUSINESS OPPORTUNITIES, LLC, to enter into this Amended Order for and on behalf of them.

WILLIAM E. BERGH

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

NOTARY PUBLIC

My commission expires:

9-12-2007

WORLD WIDE BUSINESS OPPORTUNITIES, LLC

By: William E. Bergh, President

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of May, 2006.

ALICE M. GANNON
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-12-2007

NOTARY PUBLIC

My commission expires:

9-12-2007

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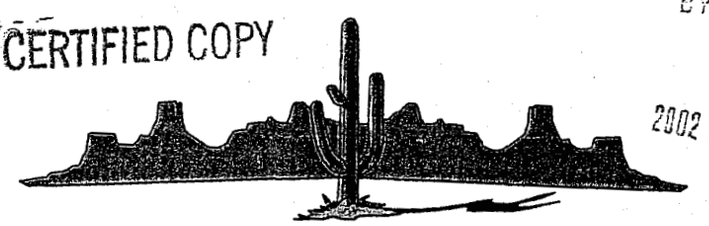
CERTIFIED COPY



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STATE OF ARIZONA CORPORATION COMMISSION

TJ2002-005619

5106921

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 ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME, as issued by this Commission on August 30, 2001, in DOCKET NO. S-03396A-01-0000 / S-03444A-01-0000, IN THE MATTER OF:

Mobile Cash Systems, LLC
World Wireless Solutions, Inc.
World Electronic Payment
World Cash Providers, LLC
World Cash Providers, Inc.
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Eagle One Financial & Tax, LLC
Gerald B. ("Jerry") Johnson
Kimber Lea Baudour

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 10TH DAY OF September 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

Docket

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

AUG 3 0 2001

DOCKETED BY ed

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:	Docket No. S-03396A-01-0000
MOBILE CASH SYSTEMS, LLC 8215 S. Eastern Ave., Suite 239 Las Vegas, NV 89123	Docket No. S-03444A-01-0000
WORLD WIRELESS SOLUTIONS, INC. a/k/a WIRELESS EXPRESS USA, INC. 544 West Iron Dr. Ste. 102 Mesa, AZ 85210	ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME
WORLD ELECTRONIC PAYMENT SOLUTIONS, INC. d/b/a WEPS 544 West Iron Dr. Ste. 102 Mesa, AZ 85210	BY: RESPONDENTS MARK ALAN MELKOWSKI, SR. EAGLE COMMUNICATIONS, INC.
WORLD CASH PROVIDERS, LLC 1851 Hillpointe Road, Suite 811 Henderson, NV 89014	EAGLE ONE FINANCIAL & TAX, LLC
WORLD CASH PROVIDERS, INC. 3649 West Beechwood Suite 103 Fresno, CA 93711	DECISION NO. 64006
MARK ALAN MELKOWSKI, SR. 2173 East La Vieve Lane Tempe, AZ 85254	
EAGLE COMMUNICATIONS, INC. 4430 N. Civic Center Plaza #204 Scottsdale, AZ 85251	
EAGLE ONE FINANCIAL & TAX, LLC 4430 N. Civic Center Plaza #204 Scottsdale, AZ 85251	
GERALD B. ("JERRY") JOHNSON 2010 West Summit Place Chandler, AZ 85224-1170	
KIMBER LEA BAUDOUR 873 North Crossbow Court Chandler, AZ 85225	
Respondents.	

HOTEL CONNECT LLC's #100-2000
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

WALLACE BUTTERWORTH, dba SENIOR ADVISORY SERVICES
1880 East Morten Avenue #154
Phoenix, AZ 85020
CRD #728693

ROGER LANCETTE, dba NATIONAL ADVISORY SERVICES and SENIOR ADVISORY SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

RONALD LEE GOBLE
6243 East Gelding Drive
Scottsdale, AZ 85254

GARY LYLE CHRISTIAN
7015 West Firebird Drive
Glendale, AZ 85308

HYLAND A. STOKES
5570 East Via Montoya Drive
Phoenix, AZ 85054

Respondents.

Respondents Mark Alan Melkowski, Sr. ("Melkowski"), Eagle Communications, Inc. ("Eagle"), and Eagle One Financial & Tax, LLC ("Eagle One") (hereafter collectively "Respondents") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, and Order for Administrative Penalties

("Order"). The aforesaid Respondents admit the jurisdiction of the Arizona Corporation Commission ("Commission"); admit only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

A. Respondents.

1. Melkowski is an individual whose last known address is 2173 East La Vieve Lane, Tempe, Arizona, 85254. At various times pertinent hereto, Melkowski was manager of Eagle One; President, Director, and statutory agent of Eagle. Melkowski was President, Director, and shareholder of World Electronic Payment Solutions, Inc. d/b/a WEPS ("WEPS") from its initial incorporation on August 9, 1999, until October 19, 2000, according to WEPS' corporate filings. Melkowski was also a Sales Representative for Mobile Cash Systems, LLC ("MCS"). Melkowski was never registered with the Commission as a securities salesman. Melkowski is, and was at all times pertinent hereto, licensed by the Arizona Department of Insurance as an insurance salesman.

2. Eagle is an Arizona corporation, incorporated in Arizona on May 27, 1998. Its principal place of business is 4430 N. Civic Center Plaza, #204, Scottsdale, Arizona, 85251. Its purpose is "to conduct the business of marketing financial products." Eagle was an agent for several sales representatives for Hotel Connect LLCs ("Hotel Connect") and MCS, hereinafter referred to as "EAGLE Agents." Melkowski is Eagle's President, manager and owner.

3. Eagle One is an Arizona limited liability company organized on October 8, 1999. Its principal place of business is 4430 N. Civic Center Plaza, #204, Scottsdale, Arizona, 85251.

Eagle One was a Sales Manager for World Cash Providers, LLC ("WCP, LLC"), from September 9, 1999. Melkowski was Eagle One's President, manager and owner.

B. Description of the Hotel Connect Offerings.

4. From in or around October 1998, Hotel Connect offered and sold within and from Arizona membership interests in Hotel Connect #100-1100 LLCs. Investors' funds were to be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

5. The minimum investment for one membership interest in Hotel Connect was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told in sales brochures that the investment provided "high returns with minimal risk, good collateralization, and liquidity." Sales brochures distributed to investors represented that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

6. Respondents solicited some of their investors through cold-calls and at seminars advertised to the general public, followed by visits to the investors' homes.

7. In some instances, Respondents went to investors' homes to sell them annuities, and then later represented to these investors that Hotel Connect would be a better investment for them because they could make a larger profit from investments in Hotel Connect, and encouraged them to sell their annuities. Some investors sustained penalties or termination charges upon the termination of their annuity contracts, and then, upon Respondents' recommendations, used the funds to purchase interests in Hotel Connect.

8. Respondents did not fully disclose the risks of the investments in Hotel Connect.

9. Investors in Hotel Connect have not received their first annual return, as promised.

. . .

. . .

C. Description of the Business Opportunity Investment Programs: WORLD CASH CTMs and MOBILE CASH WTMs.

10. From in or around January 1999 until around February 2000, World Cash Providers, Inc. ("WCP, Inc.") and WCP, LLC (hereafter collectively, "World Cash Respondents"), operating out of California and Nevada, collaborated to put together a package of equipment sales and services. The package was presented to investors as "business opportunities," involving the sale of WCP, LLC cash ticket machines ("CTMs") together with WCP, Inc. service contracts, whereby the service companies would manage the equipment for the purpose of generating a profit for investors. WCP, LLC sales agents offered and sold these "business opportunities" within and from Arizona.

11. On February 8, 2000, the California Department of Corporations ("DOC") found that the business opportunities sold by World Cash Respondents were securities and ordered WCP, LLC and WCP, Inc. to stop selling these business opportunities in California.

12. After World Cash Respondents stopped selling CTM business opportunities, some of the owners, managers and marketers of World Cash Respondents initiated a new business opportunities program substantially similar to the World Cash Respondents' program, involving the sale of wireless terminal machines ("WTMs") together with service contracts. Under the new program, from in or around February 2000 until in or around October 2000, MCS sales agents offered and sold WTMs together with service contracts, whereby the service companies would manage the equipment for the purpose of generating a profit for investors. WTM purchasers contracted with World Wireless Solution, Inc. ("Wireless") to obtain services from Wireless and WEPS. (Hereafter, MCS, Wireless, and WEPS are referred to collectively as the "Mobile Cash Respondents".) The Mobile Cash Respondents operated from bases of operations in Nevada and Arizona.

13. The offering documents for World Cash Respondents' CTM Program and Mobile Cash Respondents' WTM Program describe the equipment as serving a similar function of allowing

customers of retail food outlets to use credit or debit cards to electronically process merchant transactions. WTMs are small hand-held mobile units, while CTMs are small stationary cash ticket machines. CTMs are located at a merchant's place of business. WTMs can accompany delivery of food, and be used to record a purchase and generate receipts for the purchaser and the merchant. The services offered by WCP, Inc. for the CTM Program and by Wireless and WEPS for the WTM Program include locating and installing the equipment with retail merchants, handling or processing the transactions, monitoring and maintaining the equipment, and issuing monthly "revenue" distribution checks to the investors or "business owners."

14. The investor agreements for the CTM and WTM business opportunity programs are almost identical, and include a Sales Agreement and a Services (sic) Agreement, offered as a package to all investors. Although the Sales Agreements present options for selecting services from several companies, WCP, Inc. was the recommended service company for the CTMs, and Wireless and WEPS were the recommended services companies for the WTMs. Services Agreements for only WCP, Inc. were included in the information packet provided to prospective CTM investors. Services Agreements for only Wireless were included in the information packet provided to prospective WTM investors. WEPS was the designated service company for processing for all Wireless clients.

15. Although the offering documents for the CTM and WTM investment programs describe options for different levels of managing the equipment, in practice, all investors selected the full-service option, which offered a revenue-sharing feature and a buy-back provision. Under the full-service option, investors have no responsibilities with respect to the operation of their equipment beyond signing the service contracts, no financial obligations apart from the initial payment to purchase the units, no continuing financial obligation in the operation of their equipment, and no liability for any expenses or costs related to the operation of the equipment. Some of the services offered to investors, including processing and "transaction handling,"

require special expertise. The transaction handling was to be performed by WCP, Inc. for the CTMs and Wireless for the WTMs. The processing of transactions was to be performed by WEPS for the WTMs. Both functions were key to generating a profit for investors.

16. All Arizona CTM investors selected WCP, Inc. to handle all services needed to manage their CTMs, and all WTM investors selected Wireless and WEPS to handle all services necessary to manage their WTMs.

17. Investors exercised no managerial or entrepreneurial duties in connection with these investments. The profits of the investors were dependent upon the transaction handling and monitoring services provided by WCP, Inc., Wireless and WEPS.

18. From in or around January 1999 until February 2000, when the California DOC issued its Desist and Refrain Orders against World Cash Respondents and some of its principals, World Cash Respondents offered and sold the CTM business opportunities within and from Arizona to approximately 100 investors who invested approximately $4,376,300. The minimum investment, which was $7,000 for two CTMs at $3,500 each, increased in or around October 1999 to $9,000 for two CTMs at $4,500 each, for a five-year term. Respondents sold CTM business opportunities directly to 10 investors, who invested a total of $690,000. Respondents participated directly in the sale of CTM business opportunities to at least three additional investors, who invested a total of $327,500.

19. In late 1999, when the California DOC was investigating World Cash Respondents, Melkowski and Gerald B. Johnson ("Johnson") were involved in one or more meetings with principals or owners and marketers of World Cash Respondents, in Fresno, California, to plan the service operations that would be promoted to investors for management of the WTMs. Melkowski was named as President and Director of WEPS in incorporating documents filed in Nevada in August 1999. Johnson was named as President and Director of Wireless in incorporating documents

filed in Arizona in early 2000. The operating headquarters for both Wireless and WEPS is, and was at all pertinent times, the same address in Mesa, Arizona.

20. Melkowski is reflected as WEPS' President on WEPS' corporate filings from WEPS' initial filing of its incorporating documents in Nevada on August 9, 1999, until October 19, 2000.

21. From in or around January 2000, Mobile Cash Respondents offered and sold WTM business opportunities within and from Arizona. By mid-October 2000, approximately 104 investors throughout several states had purchased 1645 units together with Services Agreements, totaling approximately $8,225,000 in investment funds. The minimum investment was $10,000 for two WTMs at $5,000 each, for a five-year term. Respondents sold the WTM business opportunity directly to one investor, who invested $180,000.

22. The CTMs and WTMs were sold to retired and unsophisticated investors who had no experience in or knowledge of cash ticket machine or wireless terminal machine businesses, and who never intended to take possession of, or to manage, the equipment. Most investors do not even know where their equipment is located. Through written and oral statements, Mobile Cash Respondents and World Cash Respondents and their sales agents led investors to believe that these were passive investments.

23. According to written materials and oral statements made by sales agents, investors in the CTM and WTM programs are supposed to receive a) minimum monthly revenue equivalent to 13% per annum of their original investment, generated from the operation of their equipment; b) a share of the monthly net profit on each machine in excess of the base monthly payment; c) a full return of their investment at the end of the five-year term because they have a right to sell the equipment back to the service company for the original amount of the investment, or to renew the investment; and d) if the monthly revenue from the operation of the machines falls below the base payment, the right to request that the service companies repurchase the

equipment for the original sales price, or relocate the equipment to another location with the potential for a higher profit from sharing in increased revenue.

24. Under the CTM Equipment Sales Agreement, WCP, LLC represented to investors that the "Closing" of the transactions contemplated by the Equipment Sales Agreement, which included delivery of the CTMs and "Leased Site" assignments to the Purchaser or the Purchaser's Agent, would occur within 30 (later changed to 60) days of the receipt of the completed contracts and collected funds. The Purchaser was entitled to terminate the agreement if the Closing of the transactions contemplated by the Equipment Sales Agreement did not occur within the applicable time period set forth in the Agreement. If for any reason such Closing did not occur, then the Purchaser's payment was to be promptly returned to the Purchaser. Many investors were never notified of the location of their machines or whether their machines were even delivered to a merchant site. Many investors received monthly "revenue" distribution payments even though their equipment was never delivered or placed in service, and generated no revenue. Those investors were not informed that their equipment was not delivered or placed in service within the time period for terminating their contracts, and their funds were not returned to them.

25. Under the CTM Services Agreement, WCP, Inc., who was agent for the investor, represented to investors that their monthly distribution payments would be based upon the equipment revenues collected by the service company. Under the full-service agreement, investors were to share in any revenues that exceeded their base monthly distributions. There was no provision for any routine or periodic accounting as to the actual revenue generated from the operation of their CTMs. WCP, Inc. paid all CTM investors monthly "revenue" distribution checks until around March 2000. By June 2000, all payments stopped.

26. Similar to the CTM Equipment Sales Agreement, under the WTM Equipment Sales Agreement, MCS represented to investors that the Purchaser was entitled to terminate the agreement if the Closing of the transactions contemplated by the Equipment Sales Agreement did

not occur within the applicable time period set forth in the Agreement, which was 90 days. The transactions contemplated by the Equipment Sales Agreement included delivery of the WTMs. However, the Agreement provided that "Closing" would be deemed to have occurred within 90 days of the date of sale and clearing of the collected funds. WTM investors were not informed that their equipment was not delivered or placed in service within the time period for terminating their contracts.

27. Similar to the CTM Services Agreement, under the WTM Services Agreement, Wireless, who was agent for the investor, represented to investors that their monthly distribution payments would be based upon the equipment revenues collected by the service company. Under the full-service agreement, investors were to share in any revenues that exceeded their base monthly distributions. There was no provision for any routine or periodic accounting as to the actual revenue generated from the operation of their WTMs. Wireless paid all WTM investors monthly "revenue" distribution checks until around March 2001, although no revenue was generated. As of February 2001, no WTM equipment had been placed in service for investors. The distribution payments were made from funds wire-transferred to Wireless from MCS, the company that sold the equipment to investors and received the investors' funds. From April through December 2000, according to Wireless' accounting records, WTM investors were paid a total of approximately $458,471.00 in distributions. At that time, investors were not informed that their monthly distributions were not generated from the operation of their machines, or that their machines were not in operation.

D. Sales and Marketing Network for the "Business Opportunities."

28. Respondents recruited the EAGLE Agents, provided them with necessary paperwork for selling Hotel Connect LLC interests, and business opportunities in World Cash Providers CTMs and Mobile Cash WTMs, and paid them commissions based upon the amount of money invested through their sales and marketing efforts. Respondents negotiated commission splits individually

with his EAGLE Agents and paid them from his own account. Respondents' commissions for the sale of the CTM business opportunities was 16-19% of the investors' funds, and their commissions for the sale of the WTM business opportunities and Hotel Connect was 20% of investors' funds. Melkowski decided what commissions to pay to each of the EAGLE Agents individually.

29. Hotel Connect, World Cash Respondents and Mobile Cash Respondents provided sales conferences and training sessions for agents, on how to sell the business opportunities programs. Melkowski made presentations at some of the sessions. Training sessions for Hotel Connect and WCP, LLC sales agents were held until around June 1999 at the home offices of World Cash Respondents in Fresno, California. In or around March 2000, a training session was held in Las Vegas, Nevada to instruct MCS sales agents how to present the MCS/Wireless/WEPS WTM business opportunities program.

30. Respondents and their EAGLE Agents represented that these investments were more profitable than other investments, and encouraged investors to transfer their funds from CDs, mutual funds, and annuities, for their financial betterment.

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

a) Failing to disclose specific risks involved in investments in the business opportunities, including but not limited to the risk that the CTM or WTM units may never be placed in service.

b) Representing to CTM investors that their equipment would be delivered within 30 or 60 days of their completed contract, when in fact many of the CTMs that were purchased were never delivered or placed in service.

c) Failing to disclose that many of the CTMs that were purchased were never delivered or placed in service.

d) Representing that CTM investors were to receive monthly distributions from the revenue generated from the operation of their CTMs. In fact, however, monthly distributions were being paid to many investors for CTMs that were never placed in service for them.

e) Representing that WTM investors were to receive monthly distributions from the revenue generated from the operation of their WTMs. In fact, however, from April through January 2000, Wireless distributed monthly payments to investors although no equipment was placed in service for any investors.

f) Failing to disclose to WTM investors that no WTMs had been placed in service.

g) Failing to disclose any financial or background information about the issuers or their principals.

h) Failing to disclose that Hotel Connect investor funds were being transferred to other affiliated companies without investors' knowledge.

i) Failing to disclose that on February 8, 2000, the California DOC issued orders finding that the business opportunities or investment contracts involving CTMs were securities and ordering World Cash Respondents to desist and refrain from the unlawful sale of these securities in California.

II.

CONCLUSIONS OF LAW

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

2. Respondents offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. Respondents violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. Respondents violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. Respondents violated A.R.S. § 44-1991 by offering or selling securities within or from Arizona by making untrue statements or misleading omissions of material facts.

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

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

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

III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to Hotel Connect investors shown on the records of the Commission in the amount of $870,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional Hotel Connect investors are later discovered, Respondents shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money

order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to CTM investors shown on the records of the Commission in the amount of $1,017,500, plus interest at the rate of 10% per annum from the date of each investment until paid in full. If additional CTM investors are later discovered, Respondents shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to WTM investors shown on the records of the Commission in the amount of $180,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional WTM investors are later discovered, Respondents shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents, jointly and severally, shall pay administrative penalties in the amount of $25,000. Payment shall be made in full by cashier's check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

IT IS FURTHER ORDERED that this Order shall become effective immediately. All restitution and penalties payments are due upon entry of this Order.

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 30th day of August, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

PTJ

CONSENT TO ENTRY OF ORDER

1. RESPONDENTS MARK ALAN MELKOWSKI, SR. ("MELKOWSKI"), EAGLE ONE FINANCIAL & TAX, LLC ("EAGLE ONE") and EAGLE COMMUNICATIONS, INC. ("RESPONDENTS") admit the jurisdiction of the Commission over the subject matter of this proceeding. RESPONDENTS acknowledge that they have been fully advised of their rights to a hearing to present evidence and call witnesses and RESPONDENTS knowingly and voluntarily waive any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENTS acknowledge that this Order To Cease And Desist, Order for Restitution, Order for Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

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

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

4. RESPONDENTS acknowledge that they have chosen not to be represented by counsel in this matter, they have reviewed this Order and understand all terms it contains.

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

6. By consenting to the entry of this Order, RESPONDENTS agree not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENTS will undertake steps necessary to assure that all of their

agents and employees understand and comply with this agreement. Nothing in this provision affects RESPONDENTS' testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENTS agree that they will never apply to the state of Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser or investment adviser representative.

11. RESPONDENTS agree that they will not offer or sell, directly or indirectly, securities or provide investment advisory services, within or from Arizona.

12. RESPONDENTS agree that they will not exercise any control over any entity or person that offers or sells, directly or indirectly, securities or provides investment advisory services, within or from Arizona.

13. RESPONDENTS acknowledge and agree that the existence of this Order would be a "material fact" to any reasonable investor, and RESPONDENTS acknowledge and agree that the existence of this Order, and its terms, will be affirmatively disclosed by them to any person to whom RESPONDENTS may offer or sell securities, within the meaning of A.R.S. §§ 44-1801(15), 44-

1801(21) and 44-1801(26), and to any person with respect to whom RESPONDENTS may act as an investment adviser or investment adviser representative, within the meaning of A.R.S. § 44-3101(4) or § 44-3101(5), in any instance in which such offer or sale, or such provision of investment advice.

14. This agreement and Order shall be binding upon RESPONDENTS' agents, heirs, employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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

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

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

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

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19. MARK ALAN MELKOWSKI, SR. represents that he is President of EAGLE ONE and EAGLE COMMUNICATIONS, INC. and has been authorized by EAGLE ONE and EAGLE COMMUNICATIONS, INC. to enter into this Order for and on behalf of them.

MARK ALAN MELKOWSKI, SR.

SUBSCRIBED AND SWORN TO BEFORE me this 9 day of August, 2001.

NOTARY PUBLIC

My Commission Expires:

9-10-2004

Notary Public State of Arizona
Maricopa County
Terence G Nelson
Expires September 10 2004

EAGLE ONE FINANCIAL & TAX, LLC

By: Mark Alan Melkowski, Sr., President

SUBSCRIBED AND SWORN TO BEFORE me this 9 day of August, 2001.

NOTARY PUBLIC

My Commission Expires:

9-10-2004

Notary Public State of Arizona
Maricopa County
Terence G Nelson
Expires September 10 2004

EAGLE COMMUNICATIONS, INC.

Mark Alan Melkowski Sr.

By: Mark Alan Melkowski, Sr., President

SUBSCRIBED AND SWORN TO BEFORE me this 9 day of August, 2001.

Terence G. Nelson

NOTARY PUBLIC

My Commission Expires:

9-10-2004

Notary Public State of Arizona
Maricopa County
Terence G Nelson
Expires September 10 2004

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When Recorded Return To:	Maricopa County Recorder 111 S. Third Ave. Phoenix, AZ 85003
Janet Napolitano Attorney General Agency Counsel Division/ Bankruptcy & Collection Enforcement Section 1275 West Washington Phoenix, Arizona 85007	

JUDGMENT DEBTOR INFORMATION

Judgment Debtor(s) last known address:	Judgment Debtor(s) address of receipt of summons:
Mark Alan Melkowsi, Sr. Eagle Communications, Inc. Eagle One Financial & Tax LLC	N/A
2173 E. La Vieve Ln., Tempe, AZ 85254 4430 N. Civic Center Plaza, Suite 204, Scottsdale, AZ 85251	
, AZ	

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	$2,067,500.00

Creditor Address:
Janet Napolitano Attorney General David J. Dir 003606 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298

County Recorder Information Statement Pursuant to A.R.S. §33-967(A)

Decision No. **68720**

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CERTIFIED COPY

MICHAEL T. JONES, CLERK
BY _____ DEP
FILED
2002 NOV 26 AM 9: 18

STATE OF ARIZONA CORPORATION COMMISSION

TJ2002-005620

5106922

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 ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME RE: RONALD LEE GOBLE, as issued by this Commission on September 18, 2001, in DOCKET NO. S-03444A-01-0000, IN THE MATTER OF:

Hotel Connect LLC's #100-1100
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Ronald Lee Goble
Gary Lyle Christian
Hyland A. Stokes
Roger Lancette
Wallace ButterWorth

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 23RD DAY OF November 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

Docket

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

SEP 18 2001

DOCKETED BY JL

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

RONALD LEE GOBLE, individually and dba
SOUTHWEST TRUST & FINANCIAL
6243 East Gelding Drive
Scottsdale, AZ 85254

GARY LYLE CHRISTIAN, individually and dba
CORNERSTONE SENIOR PLANNING
7015 West Firebird Drive
Glendale, AZ 85308

HYLAND A. STOKES, individually and dba
ESTATE PLANNING PROTECTION
5570 East Via Montoya Drive
Phoenix, AZ 85054

ROGER LANCETTE, individually and dba
NATIONAL ADVISORY SERVICES and
SENIOR ADVISORY SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

WALLACE BUTTERWORTH, individually and
dba SENIOR ADVISORY SERVICES
1411 East Orangewood Avenue #239
Phoenix, AZ 85020
CRD #728693

Respondents.

Docket No. S-03444A-01-0000

ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME
RE: RONALD LEE GOBLE

DECISION NO. 64040

Respondent Ronald Lee Goble ("RESPONDENT") elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, and Order for Administrative Penalties ("Order"). The aforesaid RESPONDENT admits the jurisdiction of the Arizona Corporation Commission ("Commission"); admits only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. RESPONDENT, whose last known address is 6243 East Gelding Drive Scottsdale, Arizona 85254, was, at various times pertinent hereto, doing business as Southwest Trust & Financial. RESPONDENT was never registered with the Commission as a securities salesman. RESPONDENT is, and was at all times pertinent hereto, licensed by the Arizona Department of Insurance as an insurance salesman.

A. Sales and Marketing Network for "Alternative" Investments.

2. In or around October 1998, Respondent MARK ALAN MELKOWSKI ("Melkowski") recruited several licensed insurance salesmen including the RESPONDENT to act as EAGLE Agents to contract as sales agents for Respondent HOTEL CONNECT and World Cash Providers, LLC ("World Cash") to sell "alternative" investments to their clients. MELKOWSKI acted as a managing sales agent for HOTEL CONNECT and World Cash, assisting these companies by providing the EAGLE Agents with necessary investor paperwork, training the salesmen, processing investor documents, and paying the EAGLE Agents commissions based upon the amount of money invested through their sales and marketing efforts. MELKOWSKI received commissions for the sale of the HOTEL CONNECT membership interests in the amount of 20% of the funds raised from investors, and MELKOWSKI was paid up to 19% of the funds raised from the sale of

World Cash business opportunities. MELKOWSKI negotiated commission splits individually with the EAGLE Agents and paid them from his own account from commission funds he received from the issuers of these investment products.

3. HOTEL CONNECT and World Cash provided joint sales conferences and training sessions for agents on how to sell the LLC membership interests and the World Cash business opportunities programs.

4. In late 1998 or early 1999, top sales producers, including RESPONDENT, were rewarded for high volume sales with a "getaway" trip and seminar held in New Orleans. Several training sessions and seminars were held in Fresno, California through late 1999.

5. On February 8, 2000, the California Department of Corporations ("DOC") found that the CTM business opportunities were securities sold in violation of California law, and ordered World Cash and some of its principals, managers and marketers to stop selling these business opportunities in California.

6. In or around February 2000, after the California DOC ordered World Cash to desist and refrain from further sales of business opportunities in California, RESPONDENT stopped selling HOTEL CONNECT and World Cash products.

7. In or around March 2000, RESPONDENT attended a sales seminar held in Las Vegas, Nevada, to promote the sale of Mobile Cash Systems, LLC (Mobile Cash) business opportunities, a new program marketed by the same principals who offered the HOTEL CONNECT and the World Cash products.

8. RESPONDENT solicited some of his investors through cold-calls and at seminars advertised to the general public, followed by visits to the investors' homes.

9. In some instances, RESPONDENT went to investors' homes to sell them annuities, and then later represented to these investors that these "alternative" investments would be better investments for them because they could make a larger profit from these investments. RESPONDENT encouraged his insurance clients to sell their annuities to invest in these

"alternative" investments. Some investors sustained penalties or termination charges upon the termination of their annuity contracts, and then, upon RESPONDENT's recommendations, used the funds to purchase the "alternative" investments.

B. Description of the Hotel Connect Offerings.

10. From in or around October 1998 until February 2000, RESPONDENT offered and sold within and from Arizona membership interests in Hotel Connect #100-1100 LLCs to approximately 15 investors, who invested approximately $400,000. Investors were told that their funds would be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

11. The minimum investment for one membership interest in HOTEL CONNECT was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told by salesmen and in sales brochures that the investment provided the investor "high returns with minimal risk, good collateralization, and liquidity in case of emergency throughout his or her ownership," and that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

12. While HOTEL CONNECT's subscription documents provide specifically that the investments "will be sold only to accredited investors," in fact the investments were in many cases sold to investors who did not meet the definition of an accredited investor as that term is defined under federal law and adopted under the Securities Act.

13. RESPONDENT did not fully disclose the risks of the investments in HOTEL CONNET.

14. Investors in HOTEL CONNECT interests have not received their first annual return, as promised.

C. Description of the "Business Opportunities" Offerings.

15. RESPONDENT also offered and sold investments called "business opportunities," consisting of the sale of equipment together with service agreements. Investors were to receive

monthly payments resulting from a share of the profits generated from the operation of their equipment. Investors exercised no managerial or entrepreneurial duties in connection with this investment, and never even saw the equipment. The profits of the investors were dependent upon the services provided by the service companies.

16. From around January 1999 through January 2000, RESPONDENT sold World Cash Providers, LLC cash ticket machines ("CTMs"), with services provided by World Cash Providers, Inc., based in Fresno, California, to 11 investors, who invested approximately $385,000. Some of the principals of these issuers, collectively referred to hereafter as "World Cash," were also involved in the management and marketing of the HOTEL CONNECT membership interests.

17. From around January 2000 through June 2000, RESPONDENT offered and sold Mobile Cash business opportunities investments--substantially similar to the CTM business opportunities, to 7 investors, who invested approximately $205,000. These sales involved wireless terminal machines ("WTMs") together with service agreements. The WTMs were handheld wireless cash ticket machines. Mobile Cash was based in Las Vegas, Nevada. The services were to be provided by two companies based in Mesa, Arizona, World Wireless Systems, Inc. ("Wireless") and World Electronic Payment Solutions ("WEPS"). Principals of Mobile Cash, Wireless and WEPS also managed or marketed World Cash business opportunities and HOTEL CONNECT membership interests.

18. Investors in the World Cash CTM business opportunities stopped getting their monthly "revenue" payments in or before June 2000.

19. Investors in the Mobile Cash WTM business opportunities received monthly "revenue" payments, as promised, approximately 90 days after their investments, beginning in April 2000, even though not a single WTM machine was placed in operation. Around March 2001, the "revenue" payments to investors stopped.

20. On May 24, 2001, the Commission approved and entered an Order to Cease and Desist, for Administrative Penalties, and for Other Affirmative Action and Consent to Same

against Respondents including World Cash, Mobile Cash, Wireless and WEPS, in which these respondents admitted for purposes of this and any other administrative proceedings before the Commission that the CTM and WTM business opportunities were securities, and that they were sold in violation of the registration and anti-fraud provisions of the Securities Act.

21. In connection with the offer or sale of securities within or from Arizona, RESPONDENT directly or indirectly made untrue statements of material fact or omitted to state material facts which were necessary in order to make the statements made not misleading in light of the circumstances under which they were made. RESPONDENT's conduct relating to the offer and sale of these securities includes, but is not limited to, the following:

a) Misrepresenting the safety of these investments and/or failing to disclose specific risks.

b) Failing to disclose financial or background information about the issuers or their principals.

c) Failing to disclose to HOTEL CONNECT investors that there would be inter-company transfers of funds between HOTEL CONNECT and World Cash or other companies.

d) Misrepresenting to CTM investors that their equipment would be delivered within 30 or 60 days of their completed contract. In fact, some investors never had equipment placed in service for them.

e) Failing to disclose that many of the CTMs that were purchased were never delivered or placed in service.

f) Misrepresenting that CTM investors were to receive monthly distributions from the revenue generated from the operation of their CTMs. In fact, monthly distributions were paid to many investors for CTMs that were never placed in service for them.

g) Misrepresenting that WTM investors were to receive monthly distributions from the revenue generated from the operation of their WTMs. In fact, from April through January

2000, Wireless distributed monthly payments to investors although no equipment was placed in service for any investors.

h) Failing to disclose to WTM investors that no WTMs had been placed in service.

i) Failing to disclose that Wireless and WEPS, the service and processing companies that were supposed to manage the WTMs to generate revenue for the distributions to investors, had not even begun service operations.

j) Failing to disclose background information regarding the principals of the limited liability interests and the business opportunities, including but not limited to the following:

(1) That on February 8, 2000, the California DOC issued orders finding that the business opportunities or investment contracts involving CTMs were securities and ordering World Cash, its presidents, and two Directors of WEPS, Paul Michael ("Mike") Goodman and John P. Steele, to desist and refrain from the unlawful sale of these securities in California.

(2) That on February 10, 2000, the California DOC filed a lawsuit in Sacramento County Superior Court against several entities and individuals including three directors of WEPS, Claude D. Smith, Billy Ray Smith and Brian T. Griggs, alleging the illegal and fraudulent offer and sale of an estimated $20 million of securities in the form of short-term promissory notes to hundreds of investors, many of them elderly. The funds were alleged to be used for investments in commercial automated teller machines, cash ticket machines, and discount telephone service systems in economy motel rooms.

II.

CONCLUSIONS OF LAW

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

2. RESPONDENT offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. RESPONDENT violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. RESPONDENT violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. RESPONDENT violated A.R.S. § 44-1991 by offering or selling securities within or from Arizona by making untrue statements or misleading omissions of material facts.

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

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

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

III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with any other Respondent who is subject to Orders of the Commission, pay restitution to Hotel Connect investors shown on the records of the Commission in the amount of $400,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional Hotel Connect investors are later discovered, RESPONDENT shall pay claims of

those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to CTM investors shown on the records of the Commission in the amount of $385,000, plus interest at the rate of 10% per annum from the date of each investment until paid in full. If additional CTM investors are later discovered, RESPONDENT shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to WTM investors shown on the records of the Commission in the amount of $205,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional WTM investors are later discovered, RESPONDENT shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDNET shall pay administrative penalties in the amount of $25,000. Payment shall be made in full by cashier's check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

IT IS FURTHER ORDERED that this Order shall become effective immediately. All restitution and penalties payments are due upon entry of this Order.

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 18th day of September, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

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CONSENT TO ENTRY OF ORDER

1. RESPONDENT RONALD LEE GOBLE ("RESPONDENT") admits the jurisdiction of the Commission over the subject matter of this proceeding. RESPONDENT acknowledges that he has been fully advised of his rights to a hearing to present evidence and call witnesses and RESPONDENT knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENT acknowledges that this Order To Cease And Desist, Order for Restitution, Order for Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

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

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

4. RESPONDENT acknowledges that he has chosen not to be represented by counsel in this matter, he has reviewed this Order and understands all terms it contains.

5. RESPONDENT admits only for purposes of this proceeding and any other administrative proceeding before the Commission or any other agency of the state of Arizona the Findings of Fact and Conclusions of Law contained in this Order.

6. By consenting to the entry of this Order, RESPONDENT agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENT will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects RESPONDENT's testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENT agrees that he will never apply to the state of Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser or investment adviser representative.

11. RESPONDENT agrees that he will not offer or sell, directly or indirectly, securities or provide investment advisory services, within or from Arizona.

12. RESPONDENT agrees that he will not exercise any control over any entity or person that offers or sells, directly or indirectly, securities or provides investment advisory services, within or from Arizona.

13. RESPONDENT acknowledges and agrees that the existence of this Order would be a "material fact" to any reasonable investor, and RESPONDENT acknowledges and agrees that the existence of this Order, and its terms, will be affirmatively disclosed by him to any person to whom RESPONDENT may offer or sell securities, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21) and 44-1801(26), and to any person with respect to whom RESPONDENT may act as an investment adviser or investment adviser representative, within the meaning of A.R.S. § 44-3101(4) or § 44-3101(5), in any instance in which such offer or sale, or such provision of investment advice.

14. This agreement and Order shall be binding upon RESPONDENT's agents, heirs, employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

15. RESPONDENT agrees that until restitution and penalties are paid in full, RESPONDENT will notify the Director of the Securities Division within 30 days of any change in home address or any change in RESPONDENT's ability to pay amounts due under this Order.

16. RESPONDENT understands that default shall render him liable to the Commission for its costs of collection and interest at the maximum legal rate.

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

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

RONALD LEE GOBLE

SUBSCRIBED AND SWORN TO BEFORE me this 10th day of Aug, 2001.

NOTARY PUBLIC

My Commission Expires:

June 29, 2004

SHARI L. SCOTT
Notary Public - Arizona
Maricopa County
My Commission Expires
June 29, 2004

Decision No. 64040

Decision No. **68720**

When Recorded Return To:	Maricopa County Recorder 111 S. Third Ave. Phoenix, AZ 85003
Janet Napolitano Attorney General Agency Counsel Division/ Bankruptcy & Collection Enforcement Section 1275 West Washington Phoenix, Arizona 85007	

JUDGMENT DEBTOR INFORMATION

Judgment Debtor(s) last known address:	Judgment Debtor(s) address of receipt of summons:
Ronald Lee Goble	N/A
6243 E. Gelding Dr.	
Scottsdale, AZ 85254	

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	$990,000.00

Creditor Address:
Janet Napolitano Attorney General David J. Dir 003606 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298 (602) 542-1719

County Recorder Information Statement Pursuant to A.R.S. §33-967(A)

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Decision No. **68720**

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STATE OF ARIZONA CORPORATION COMMISSION

TJ2002-005621

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 are true, complete and correct copy of the ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME, as issued by this Commission on October 30, 2001, in DOCKET NO. S-03444A-01-0000, IN THE MATTER OF:

Hotel Connect LLC's #100-1100
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Ronald Lee Goble
Gary Lyle Christian
Hyland A. Stokes
Roger Lancette
Wallace Butterworth

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 23RD DAY OF November 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

Docket

Arizona Corporation Commission
DOCKETED

OCT 30 2001

DOCKETED BY od

BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

RONALD LEE GOBLE, individually and dba
SOUTHWEST TRUST & FINANCIAL
6243 East Gelding Drive
Scottsdale, AZ 85254

GARY LYLE CHRISTIAN, individually and dba
CORNERSTONE SENIOR PLANNING
7015 West Firebird Drive
Glendale, AZ 85308

HYLAND A. STOKES, individually and dba
ESTATE PLANNING PROTECTION
5570 East Via Montoya Drive
Phoenix, AZ 85054

ROGER LANCETTE, individually and dba
NATIONAL ESTATE SERVICE AND
PLANNING and SENIOR ADVISORY
SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

WALLACE BUTTERWORTH, individually and
dba SENIOR ADVISORY SERVICES
1411 East Orangewood Avenue #239
Phoenix, AZ 85020
CRD #728693

Respondents.

Docket No. S-03444A-01-0000

ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME

RE: ROGER LANCETTE, individually and dba NATIONAL ESTATE SERVICE AND PLANNING and SENIOR ADVISORY SERVICES

DECISION NO. 64185

Respondent Roger Lancette, individually and doing business as National Estate Service and Planning and Senior Advisory Services ("RESPONDENT"), elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, and Order for Administrative Penalties ("Order"). The aforesaid RESPONDENT admits the jurisdiction of the Arizona Corporation Commission ("Commission"); admits only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. RESPONDENT, whose last known address is 6857 East Montreal Place, Scottsdale, Arizona 85254, was never registered with the Commission as a securities salesman. RESPONDENT is, and was at all times pertinent hereto, licensed by the Arizona Department of Insurance as an insurance salesman.

A. Sales and Marketing Network for "Alternative" Investments.

2. From around October 1998 through July 1999, Respondent Mark Alan Melkowski ("Melkowski") recruited several licensed insurance salesmen including RESPONDENT to contract as sales agents for Respondent Hotel Connect LLCs ("Hotel Connect") and World Cash Providers, LLC ("World Cash") to sell "alternative" investments to their clients. Alternative investments included membership interests in Hotel Connect and World Cash business opportunities. Melkowski and his company, Eagle Communications, Inc. aka Eagle One Communications, Inc., acted as a managing sales agent for Hotel Connect and World Cash, assisting these companies by providing RESPONDENT with necessary investor paperwork, training, processing investor documents, and paying RESPONDENT commissions based upon the amount of money invested through his sales

and marketing efforts. Melkowski negotiated commission splits individually with RESPONDENT and paid him up to 20% of the amount invested in these alternative investments.

3. Hotel Connect and World Cash provided joint sales conferences and training sessions for agents on how to sell the LLC membership interests and the World Cash business opportunities programs.

4. Unknown to RESPONDENT, on February 8, 2000, the California Department of Corporations ("DOC") found that the World Cash business opportunities were securities sold in violation of California law, and ordered World Cash and some of its principals, managers and marketers to stop selling these business opportunities in California.

5. In or around February 2000, after the California DOC ordered World Cash to desist and refrain from further sales of business opportunities in California, RESPONDENT stopped selling Hotel Connect and World Cash products and started selling business opportunities for Mobile Cash Systems, LLC ("Mobile Cash").

6. RESPONDENT solicited some of his investors through seminars advertised to the general public, followed by visits to the investors' homes.

7. RESPONDENT encouraged his insurance clients to sell their annuities to invest in these "alternative" investments. Some investors sustained penalties or termination charges upon the termination of their annuity contracts, and then, upon RESPONDENT's recommendation, used the funds to purchase the "alternative" investments.

B. Description of the Hotel Connect Offerings.

8. From in or around October 1998 until February 2000, RESPONDENT offered and sold within and from Arizona membership interests in Hotel Connect #100-1100 LLC's to approximately 12 investors. Investors were told that their funds would be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

9. The minimum investment for one membership interest in Hotel Connect was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told by

salesmen and in sales brochures that the investment provided the investor "high returns with minimal risk, good collateralization, and liquidity in case of emergency throughout his or her ownership," and that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

10. While Hotel Connect's subscription documents provide specifically that the investments "will be sold only to accredited investors," in fact the investments were in many cases sold to investors who did not meet the definition of an accredited investor as that term is defined under federal law and adopted under the Securities Act.

11. RESPONDENT did not fully disclose all of the risks of the investments in Hotel Connect.

12. Investors in Hotel Connect interests have not received their first annual return, as promised.

C. Description of the "Business Opportunities" Offerings.

13. RESPONDENT also offered and sold investments called "business opportunities," consisting of the sale of equipment together with service agreements. Investors were to receive monthly payments resulting from a share of the profits generated from the operation of their equipment. Investors exercised no managerial or entrepreneurial duties in connection with this investment, and never even saw the equipment. The profits of the investors were dependent upon the services provided by the service companies.

14. From around January 1999 through January 2000, RESPONDENT sold World Cash cash ticket machines ("CTMs"), with services provided by World Cash Providers, Inc., based in Fresno, California, to five investors. Some of the principals of these issuers, collectively referred to hereafter as "World Cash," were also involved in the management and marketing of the Hotel Connect membership interests.

15. From around January 2000 through June 2000, RESPONDENT offered and sold Mobile Cash business opportunities investments--substantially similar to the CTM business

opportunities, to 8 investors. These sales involved wireless terminal machines ("WTMs") together with service agreements. The WTMs were handheld wireless cash ticket machines. Mobile Cash was based in Las Vegas, Nevada. The services were to be provided by two companies based in Mesa, Arizona, World Wireless Systems, Inc. ("Wireless") and World Electronic Payment Solutions ("WEPS"). Principals of Mobile Cash, Wireless and WEPS also managed or marketed World Cash business opportunities and Hotel Connect membership interests.

16. Investors in the World Cash CTM business opportunities stopped getting their monthly "revenue" payments in or before June 2000.

17. Investors in the Mobile Cash WTM business opportunities received monthly "revenue" payments, as promised, approximately 90 days after their investments, beginning in April 2000, even though not a single WTM machine was placed in operation. Around March 2001, the "revenue" payments to investors stopped.

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

a) Not disclosing all of the specific risks involved in these investments.

b) Not disclosing the financial or background information about the issuers or their principals.

c) Not disclosing to Hotel Connect investors that there would be inter-company transfers of funds between Hotel Connect and World Cash or other companies.

d) Representing to CTM investors that their equipment would be delivered within 30 or 60 days of their completed contract, when in fact, many of the CTMs that were purchased were never delivered or placed in service.

e) Representing that CTM investors were to receive monthly distributions from the revenue generated from the operation of their CTMs, when in fact, monthly distributions were paid to many investors for CTMs that were never placed in service for them.

f) Representing that WTM investors were to receive monthly distributions from the revenue generated from the operation of their WTMs, when in fact, from April through January 2000, Wireless distributed monthly payments to investors although no equipment was placed in service for any investors.

g) Not disclosing to WTM investors that no WTMs had been placed in service.

h) Not disclosing that Wireless and WEPS, the service and processing companies that were supposed to manage the WTMs to generate revenue for the distributions to investors, had not even begun service operations.

j) Not disclosing background information regarding the principals of the limited liability companies and the business opportunities, including but not limited to the following:

(1) That on February 8, 2000, the California DOC issued orders finding that the business opportunities or investment contracts involving CTMs were securities and ordering World Cash, its presidents, and two Directors of WEPS, Paul Michael ("Mike") Goodman and John P. Steele, to desist and refrain from the unlawful sale of these securities in California.

(2) That on February 10, 2000, the California DOC filed a lawsuit in Sacramento County Superior Court against several entities and individuals including three directors of WEPS, Claude D. Smith, Billy Ray Smith and Brian T. Griggs, alleging the illegal and fraudulent offer and sale of an estimated $20 million of securities in the form of short-term promissory notes to hundreds of investors, many of them elderly. The funds were alleged to be used for investments in commercial automated teller

machines, cash ticket machines, and discount telephone service systems in economy motel rooms.

II.

CONCLUSIONS OF LAW

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

2. RESPONDENT offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. RESPONDENT violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. RESPONDENT violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. RESPONDENT violated A.R.S. § 44-1991 by making untrue statements or misleading omissions of material facts.

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

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

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

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III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with Hotel Connect, pay restitution to Hotel Connect investors shown on the records of the Commission in the amount of $610,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with other Respondents who are subject to Decision No. 63680 of the Commission, pay restitution to CTM investors shown on the records of the Commission in the amount of $172,000, plus interest at the rate of 10% per annum from the date of each investment until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with other Respondents who are subject to Decision No. 63680 of the

Commission, pay restitution to WTM investors shown on the records of the Commission in the amount of $550,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDENT shall pay administrative penalties in the amount of $25,000. Payment shall be made in full by cashier's

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check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

IT IS FURTHER ORDERED that this Order shall become effective immediately. All restitution and penalties payments are due upon entry of this Order.

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 30th day of October, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

PTJ

CONSENT TO ENTRY OF ORDER

1. Respondent Roger Lancette, individually and doing business as National Estate Service and Planning and Senior Advisory Services ("RESPONDENT"), admits the jurisdiction of the Commission over the subject matter of this proceeding. RESPONDENT acknowledges that he has been fully advised of his rights to a hearing to present evidence and call witnesses and RESPONDENT knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENT acknowledges that this Order To Cease And Desist, Order for Restitution, Order for Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

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

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

4. RESPONDENT acknowledges that he has been represented by counsel in this matter, he has reviewed this Order and understands all terms it contains.

5. RESPONDENT admits only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order.

6. By consenting to the entry of this Order, RESPONDENT agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENT will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects

RESPONDENT's testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENT agrees that he will never apply to the state of Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser or investment adviser representative.

11. RESPONDENT agrees that he will not offer or sell, directly or indirectly, securities, or provide investment advisory services as defined in A.R.S. § 44-3101(5) and (6), within or from Arizona.

12. RESPONDENT agrees that he will not exercise any control over any entity or person that offers or sells, directly or indirectly, securities, or provides investment advisory services as defined in A.R.S. § 44-3101(5) and (6), within or from Arizona.

13. RESPONDENT agrees that until restitution and penalties are paid in full, RESPONDENT will notify the Director of the Securities Division within 30 days of any change in home address or any change in RESPONDENT's ability to pay amounts due under this Order.

14. RESPONDENT understands that default shall render him liable to the Commission for its costs of collection and interest at the maximum legal rate.

15. RESPONDENT agrees that he will continue to cooperate with the Securities Division including, but not limited to, providing complete and accurate testimony at any hearing in

this matter and cooperating with the state of Arizona in any related investigation or any other matters arising from the activities described in this Order.

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

ROGER LANCETTE

SUBSCRIBED AND SWORN TO BEFORE me this 9th day of October, 2001.

NOTARY PUBLIC

My Commission Expires:

1-9-05

BOB HALL
Notary Public - Arizona
Maricopa County
My Commission Expires
January 9, 2005

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When Recorded Return To:	Maricopa County Recorder 111 S. Third Ave. Phoenix, AZ 85003
Janet Napolitano Attorney General Agency Counsel Division/ Bankruptcy & Collection Enforcement Section 1275 West Washington Phoenix, Arizona 85007	

JUDGMENT DEBTOR INFORMATION

Judgment Debtor(s) last known address:	Judgment Debtor(s) address of receipt of summons:
Roger Lancette	N/A
6857 E. Montreal Pl.	
Scottsdale, AZ 85254	

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	$1,332,000.00

Creditor Address:
Janet Napolitano Attorney General David J. Dir 003606 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298 (602) 542-1719

County Recorder Information Statement Pursuant to A.R.S. §33-967(A)

BCE02-0336
320360.doc

Decision No. **68720**

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MICHAEL K. JEANES, CLERK
BY DEP
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SEAL OF THE ARIZONA CORPORATION COMMISSION
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STATE OF ARIZONA
CORPORATION COMMISSION

C 5106914

TU2002-005617

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 are true, complete and correct copies of the ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME, as issued by this Commission on November 8, 2001, in DOCKET NO. S-03444A-01-0000, IN THE MATTER OF:

Hotel Connect LLC's #100-1100
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Ronald Lee Goble
Gary Lyle Christian
Hyland A. Stokes
Roger Lancette
Wallace Butterworth

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 10TH DAY OF December 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

NOV 08 2001

DOCKETED BY

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

RONALD LEE GOBLE, individually and dba
SOUTHWEST TRUST & FINANCIAL
6243 East Gelding Drive
Scottsdale, AZ 85254

GARY LYLE CHRISTIAN, individually and dba
CORNERSTONE SENIOR PLANNING
7015 West Firebird Drive
Glendale, AZ 85308

HYLAND A. STOKES, individually and dba
ESTATE PLANNING PROTECTION
5570 East Via Montoya Drive
Phoenix, AZ 85054

ROGER LANCETTE, individually and dba
NATIONAL ESTATE SERVICE AND
PLANNING and SENIOR ADVISORY
SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

WALLACE BUTTERWORTH, individually and
dba SENIOR ADVISORY SERVICES
1411 East Orangewood Avenue #239
Phoenix, AZ 85020
CRD #728693

Respondents.

Docket No. S-03444A-01-0000

ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME

RE: GARY L. CHRISTIAN, individually and dba CORNERSTONE SENIOR PLANNING

DECISION NO. 64202

Respondent Gary Lyle Christian, individually and doing business as Cornerstone Senior Planning ("RESPONDENT"), elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, and Order for Administrative Penalties ("Order"). The aforesaid RESPONDENT admits the jurisdiction of the Arizona Corporation Commission ("Commission"); admits only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. RESPONDENT, whose last known address is 7015 West Firebird Drive, Glendale, Arizona 85308, was never registered with the Commission as a securities salesman. RESPONDENT is, and was at all times pertinent hereto, licensed by the Arizona Department of Insurance as an insurance salesman.

A. Sales and Marketing Network for "Alternative" Investments.

2. From around October 1998, Respondent Mark Alan Melkowski ("Melkowski") recruited several licensed insurance agents, including RESPONDENT, to contract as sales agents for Eagle Communications, Inc. ("Eagle") and to sell "alternative" investments to their clients. The alternative investments included membership interests in Respondent Hotel Connect LLC's ("Hotel Connect") and World Cash Providers, LLC ("World Cash") business opportunities. Melkowski and Eagle acted as managing sales agent for Hotel Connect and World Cash, assisting these companies by providing RESPONDENT with necessary investor paperwork, training, processing investor documents and paying RESPONDENT commissions based upon the amount of money invested through his sales and marketing efforts. RESPONDENT received commissions up to 20% of the amount of funds he raised from the sale of these alternative investments.

3. Hotel Connect and World Cash provided joint sales conferences and training sessions for agents on how to sell the LLC membership interests and the World Cash business opportunities programs.

4. In or about October 1999, top sales producers, including RESPONDENT, were rewarded for high volume sales with a "getaway" trip and seminar held in New Orleans. Several training sessions and seminars were held in Fresno, California through late 1999.

5. On February 8, 2000, the California Department of Corporations ("DOC") found that the World Cash business opportunities were securities sold in violation of California law, and ordered World Cash and some of its principals, managers and marketers to stop selling these business opportunities in California.

6. In or around February 2000, after the California DOC ordered World Cash to desist and refrain from further sales of business opportunities in California, RESPONDENT stopped selling Hotel Connect and World Cash products and started selling business opportunities for Mobile Cash Systems, LLC ("Mobile Cash").

7. In or around March 2000, RESPONDENT attended a sales seminar held in Las Vegas, Nevada, to promote the sale of the Mobile Cash business opportunities, marketed by the same principals who offered the Hotel Connect and World Cash products.

8. RESPONDENT solicited some of his investors through cold-calls and at seminars advertised to the general public, followed by visits to the investors' homes.

B. Description of the Hotel Connect Offerings.

9. From in or around April 1999 through October 1999, RESPONDENT offered and sold within and from Arizona membership interests in Hotel Connect #600-900 LLC's to approximately 13 investors, who invested approximately $520,000. Investors were told that their funds would be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

10. The minimum investment for one membership interest in Hotel Connect was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told by salesmen and in sales brochures that the investment provided the investor "high returns with minimal risk, good collateralization, and liquidity in case of emergency throughout his or her ownership," and that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

11. While Hotel Connect's subscription documents provide specifically that the investments "will be sold only to accredited investors," in fact the investments were in many cases sold to investors who did not meet the definition of an accredited investor as that term is defined under federal law and adopted under the Securities Act.

12. RESPONDENT did not fully disclose the risks of the investments in Hotel Connect.

13. Investors in Hotel Connect interests have not received their first annual return, as promised.

C. Description of the "Business Opportunities" Offerings.

14. RESPONDENT also offered and sold investments called "business opportunities," consisting of the sale of equipment together with service agreements. Investors were to receive monthly payments resulting from a share of the profits generated from the operation of their equipment. Investors exercised no managerial or entrepreneurial duties in connection with this investment, and never even saw the equipment. The profits of the investors were dependent upon the services provided by the service companies.

15. From around September 1999 through January 2000, RESPONDENT sold World Cash cash ticket machines ("CTMs"), with services provided by World Cash Providers, Inc., based in Fresno, California, to 22 investors, who invested approximately $1,109,700. Some of the principals of these issuers, collectively referred to hereafter as "World Cash," were also involved in the management and marketing of the Hotel Connect membership interests.

16. From around January 2000 through June 2000, RESPONDENT offered and sold Mobile Cash business opportunities investments--substantially similar to the CTM business opportunities, to 20 investors, who invested approximately $940,000. These sales involved wireless terminal machines ("WTMs") together with service agreements. The WTMs were handheld wireless cash ticket machines. Mobile Cash was based in Las Vegas, Nevada. The services were to be provided by two companies based in Mesa, Arizona, World Wireless Systems, Inc. ("Wireless") and World Electronic Payment Solutions ("WEPS"). Principals of Mobile Cash, Wireless and WEPS also managed or marketed World Cash business opportunities and Hotel Connect membership interests.

17. Investors in the World Cash CTM business opportunities stopped getting their monthly "revenue" payments in or before June 2000.

18. Investors in the Mobile Cash WTM business opportunities received monthly "revenue" payments, as promised, approximately 90 days after their investments, beginning in April 2000, even though not a single WTM machine was placed in operation. Around March 2001, the "revenue" payments to investors stopped.

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

a) Misrepresenting the safety of these investments and failing to disclose specific risks.

b) Failing to disclose material financial or background information about the issuers or their principals.

c) Failing to disclose to Hotel Connect investors that there would be inter-company transfers of funds between Hotel Connect and World Cash or other companies.

d) Misrepresenting to CTM investors that their equipment would be delivered within 30 or 60 days of their completed contract. In fact, some investors never had equipment placed in service for them.

e) Failing to disclose that many of the CTMs that were purchased were never delivered or placed in service.

f) Misrepresenting that CTM investors were to receive monthly distributions from the revenue generated from the operation of their CTMs. In fact, monthly distributions were paid to many investors for CTMs that were never placed in service for them.

g) Misrepresenting that WTM investors were to receive monthly distributions from the revenue generated from the operation of their WTMs. In fact, from April through January 2000, Wireless distributed monthly payments to investors although no equipment was placed in service for any investors.

h) Failing to disclose to WTM investors that no WTMs had been placed in service.

i) Failing to disclose that Wireless and WEPS, the service and processing companies that were supposed to manage the WTMs to generate revenue for the distributions to investors, had not even begun service operations.

j) Failing to disclose background information regarding the principals of the limited liability interests and the business opportunities, including but not limited to the following:

(1) That on February 8, 2000, the California DOC issued orders finding that the business opportunities or investment contracts involving CTMs were securities and ordering World Cash, its presidents, and two Directors of WEPS, Paul Michael ("Mike") Goodman and John P. Steele, to desist and refrain from the unlawful sale of these securities in California.

(2) That on February 10, 2000, the California DOC filed a lawsuit in Sacramento County Superior Court against several entities and individuals including three directors of WEPS, Claude D. Smith, Billy Ray Smith and

Brian T. Griggs, alleging the illegal and fraudulent offer and sale of an estimated $20 million of securities in the form of short-term promissory notes to hundreds of investors, many of them elderly. The funds were alleged to be used for investments in commercial automated teller machines, cash ticket machines, and discount telephone service systems in economy motel rooms.

II.

CONCLUSIONS OF LAW

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

2. RESPONDENT offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. RESPONDENT violated A.R.S. § 44-1841 by offering cr selling securities that were neither registered nor exempt from registration.

4. RESPONDENT violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. RESPONDENT violated A.R.S. § 44-1991(A)(2) by making untrue statements or misleading omissions of material facts.

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

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

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

. . .

III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with Hotel Connect, pay restitution to Hotel Connect investors shown on the records of the Commission, pursuant to A.A.C. Rule R14-4-308, in the amount of $520,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with other Respondents who are subject to Decision No. 63680 of the Commission, pay restitution to CTM investors shown on the records of the Commission, pursuant to A.A.C. Rule R14-4-308, in the amount of $1,109,700, plus interest at the rate of 10% per annum from the date of each investment until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with other Respondents who are subject to Decision No. 63680 of the

Commission, pay restitution to WTM investors shown on the records of the Commission, pursuant to A.A.C. Rule R14-4-308, in the amount of $940,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDENT shall pay administrative penalties in the amount of $25,000. Payment shall be made in full by cashier's check

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or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

IT IS FURTHER ORDERED that this Order shall become effective immediately. All restitution and penalties payments are due upon entry of this Order.

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 8th day of November, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

PTJ

CONSENT TO ENTRY OF ORDER

1. Respondent Gary Lyle Christian, individually and doing business as Cornerstone Senior Planning ("RESPONDENT"), admits the jurisdiction of the Commission over the subject matter of this proceeding. RESPONDENT acknowledges that he has been fully advised of his rights to a hearing to present evidence and call witnesses and RESPONDENT knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENT acknowledges that this Order To Cease And Desist, Order for Restitution, Order for Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

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

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

4. RESPONDENT acknowledges that he has been represented by counsel in this matter, he has reviewed this Order and understands all terms it contains.

5. RESPONDENT admits only for purposes of this proceeding and any other administrative proceeding before the Commission or any other agency of the state of Arizona the Findings of Fact and Conclusions of Law contained in this Order.

6. By consenting to the entry of this Order, RESPONDENT agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENT will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects

RESPONDENT's testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENT agrees that he will not apply for registration as a securities dealer or salesman pursuant to the Securities Act of Arizona, A.R.S. § 44-1801, et seq., or for licensure as an investment adviser or investment adviser representative pursuant to the Arizona Investment Management Act, A.R.S. § 44-3101 et seq., for a period of one year and until all restitution is paid pursuant to this Order.

11. RESPONDENT agrees that he will not offer or sell, directly or indirectly, securities, unless and until he is registered as a securities dealer or salesman pursuant to the Securities Act of Arizona, A.R.S. § 44-1801, et seq., and he will not provide investment advisory services as defined in A.R.S. § 44-3101(5) and (6), within or from Arizona, unless and until he is licensed as an investment adviser or investment adviser representative pursuant to the Arizona Investment Management Act, A.R.S. § 44-3101 et seq.

12. RESPONDENT agrees that he will not exercise managerial authority or ownership of greater than ten percent (10%) of the outstanding equity interest of any company or entity engaged in the business of offering or selling, directly or indirectly, securities, or providing investment advisory

Docket No. S-03444A-01-0000

services as defined in A.R.S. § 44-3101(5) and (6), within or from Arizona, for a period of one year and until all restitution is paid pursuant to this Order.

13. This agreement and Order shall be binding upon RESPONDENT's agents, employees, assigns, and representatives acting under the authority of or at the direction of RESPONDENT.

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

15. RESPONDENT understands that default shall render him liable to the Commission for its costs of collection and interest at the maximum legal rate.

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

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

GARY LYLE CHRISTIAN

SUBSCRIBED AND SWORN TO BEFORE me this 15 day of October, 2001.

NOTARY PUBLIC

OFFICIAL SEAL
ANGELA D. HUKILL
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Sept. 3, 2003

My Commission Expires:

N:\ENFORCE\CASES\WCP.pj\PLEADING\Final Consent Christian2.doc

Decision No. 64202

Decision No. 68720

When Recorded Return To:	Maricopa County Recorder 111 S. Third Ave. Phoenix, AZ 85003
Janet Napolitano Attorney General Agency Counsel Division/ Bankruptcy & Collection Enforcement Section 1275 West Washington Phoenix, Arizona 85007	

JUDGMENT DEBTOR INFORMATION

Judgment Debtor(s) last known address:
Gary Lyle Christian
7015 W. Firebird Dr.
Glendale, AZ 85308

Judgment Debtor(s) address of receipt of summons
N/A

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	$2,569,700.00

Creditor Address:
Janet Napolitano Attorney General David J. Dir 003606 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298 (602) 542-1719

County Recorder Information Statement Pursuant to A.R.S. §33-967(A)

BCE02-0334
320360.doc

Decision No. **68720**

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CERTIFIED COPY

MICHAEL W. JENKINS, CLERK
BY [illegible] DEP
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STATE OF ARIZONA
CORPORATION COMMISSION

5106927

TJ2002-005622

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 ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME, as issued by this Commission on November 8, 2001, in DOCKET NO. S-03444A-01-0000, IN THE MATTER OF:

Hotel Connect LLC's #100-1100
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Ronald Lee Goble
Gary Lyle Christian
Hyland A. Stokes
Roger Lancette
Wallace ButterWorth

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 January 2002 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

Docket

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

NOV 0 8 2001

DOCKETED BY

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

RONALD LEE GOBLE, individually and dba
SOUTHWEST TRUST & FINANCIAL
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GARY LYLE CHRISTIAN, individually and dba
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NATIONAL ESTATE SERVICE AND
PLANNING and SENIOR ADVISORY
SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

WALLACE BUTTERWORTH, individually and
dba SENIOR ADVISORY SERVICES
1411 East Orangewood Avenue #239
Phoenix, AZ 85020
CRD #728693

Respondents.

Docket No. S-03444A-01-0000

ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME

RE: HYLAND A. STOKES and ESTATE PLANNING PROTECTION, INC.

DECISION NO. 64203

Respondents Hyland A. Stokes ("Stokes") and Estate Planning Protection, Inc. ("RESPONDENTS") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, and Order for Administrative Penalties ("Order"). The aforesaid RESPONDENTS admit the jurisdiction of the Arizona Corporation Commission ("Commission"); admit only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. Stokes, whose last known address is 5570 East Via Montoya Drive, Phoenix, Arizona 85054, and Estate Planning Protection, Inc., whose last known address is 11811 N. Tatum Blvd., Ste 3031, Phoenix, Arizona 85028, were never registered with the Commission as securities salesmen or dealers. Stokes is, and was at all times pertinent hereto, licensed by the Arizona Department of Insurance as an insurance salesman.

A. Sales and Marketing Network for "Alternative" Investments.

2. In or around October 1998, Respondent Mark Alan Melkowski ("Melkowski") recruited several licensed insurance salesmen including the RESPONDENTS to contract as sales agents for Hotel Connect #100-2000 LLC ("Hotel Connect") and World Cash Providers, LLC ("World Cash") to sell "alternative" investments to their clients. Melkowski acted as a managing sales agent for Hotel Connect and World Cash, assisting these companies by providing the sales agents with necessary investor paperwork, training the salesmen, processing investor documents, and paying commissions based upon the amount of money invested through their sales and marketing efforts. RESPONDENTS received commissions up to 20% of the funds they raised from investors from the sale of these "alternative" investments.

3. Hotel Connect and World Cash provided joint sales conferences and training sessions for agents on how to sell the LLC membership interests and the World Cash business opportunities programs.

4. In late 1998 or early 1999, top sales producers, including RESPONDENTS, were rewarded for high volume sales with a "getaway" trip and seminar held in New Orleans. Several training sessions and seminars were held in Fresno, California through late 1999.

5. On February 8, 2000, the California Department of Corporations ("DOC") found that the CTM business opportunities were securities sold in violation of California law, and ordered World Cash and some of its principals, managers and marketers to stop selling these business opportunities in California.

6. In or around February 2000, after the California DOC ordered World Cash to desist and refrain from further sales of business opportunities in California, RESPONDENTS stopped selling Hotel Connect and World Cash products.

7. In or around March 2000, RESPONDENTS attended a sales seminar held in Las Vegas, Nevada, to promote the sale of Mobile Cash Systems, LLC ("Mobile Cash") business opportunities, a new program marketed by the same principals who offered the Hotel Connect and the World Cash products.

8. RESPONDENTS solicited some of their investors through cold-calls and at seminars advertised to the general public, followed by visits to the investors' homes.

B. Description of the Hotel Connect Offerings.

9. From in or around October 1998 until February 2000, RESPONDENTS offered and sold within and from Arizona membership interests in Hotel Connect #100-1100 LLCs to approximately 24 investors, who invested approximately $1,120,000. Investors were told that their funds would be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

10. The minimum investment for one membership interest in Hotel Connect was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told by salesmen and in sales brochures that the investment provided the investor "high returns with minimal risk, good collateralization, and liquidity in case of emergency throughout his or her ownership," and that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

11. While Hotel Connect's subscription documents provide specifically that the investments "will be sold only to accredited investors," in fact the investments were in many cases sold to investors who did not meet the definition of an accredited investor as that term is defined under federal law and adopted under the Securities Act.

12. RESPONDENTS did not fully disclose the risks of the investments in Hotel Connect.

13. Investors in Hotel Connect interests have not received their first annual return, as promised.

C. Description of the "Business Opportunities" Offerings.

14. RESPONDENTS also offered and sold investments called "business opportunities," consisting of the sale of equipment together with service agreements. Investors were to receive monthly payments resulting from a share of the profits generated from the operation of their equipment. Investors exercised no managerial or entrepreneurial duties in connection with this investment, and never even saw the equipment. The profits of the investors were dependent upon the services provided by the service companies.

15. From around January 1999 through January 2000, RESPONDENTS sold World Cash Providers, LLC cash ticket machines ("CTMs"), with services provided by World Cash Providers, Inc., based in Fresno, California, to 6 investors, who invested approximately $164,500. Some of the principals of these issuers, collectively referred to hereafter as "World Cash," were also involved in the management and marketing of the Hotel Connect membership interests.

16. From around January 2000 through June 2000, RESPONDENTS offered and sold Mobile Cash business opportunities investments--substantially similar to the CTM business opportunities, to 5 investors, who invested approximately $300,000. These sales involved wireless terminal machines ("WTMs") together with service agreements. The WTMs were handheld wireless cash ticket machines. Mobile Cash was based in Las Vegas, Nevada. The services were to be provided by two companies based in Mesa, Arizona, World Wireless Systems, Inc. ("Wireless") and World Electronic Payment Solutions ("WEPS"). Principals of Mobile Cash, Wireless and/or WEPS also managed or marketed World Cash business opportunities and Hotel Connect membership interests.

17. Investors in the World Cash CTM business opportunities stopped getting their monthly "revenue" payments in or before June 2000.

18. Investors in the Mobile Cash WTM business opportunities received monthly "revenue" payments, as promised, approximately 90 days after their investments, beginning in April 2000, even though not a single WTM machine was placed in operation. Around March 2001, the "revenue" payments to investors stopped.

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

a) Misrepresenting the safety of these investments and failing to disclose specific risks.

b) Failing to disclose material financial or background information about the issuers or their principals.

c) Failing to disclose to Hotel Connect investors that there would be inter-company transfers of funds between Hotel Connect and World Cash or other companies.

d) Misrepresenting to CTM investors that their equipment would be delivered within 30 or 60 days of their completed contract. In fact, some investors never had equipment placed in service for them.

e) Failing to disclose that many of the CTMs that were purchased were never delivered or placed in service.

f) Misrepresenting that CTM investors were to receive monthly distributions from the revenue generated from the operation of their CTMs. In fact, monthly distributions were paid to many investors for CTMs that were never placed in service for them.

g) Misrepresenting that WTM investors were to receive monthly distributions from the revenue generated from the operation of their WTMs. In fact, from April through January 2000, Wireless distributed monthly payments to investors although no equipment was placed in service for any investors.

h) Failing to disclose to WTM investors that no WTMs had been placed in service.

i) Failing to disclose that Wireless and WEPS, the service and processing companies that were supposed to manage the WTMs to generate revenue for the distributions to investors, had not even begun service operations.

j) Failing to disclose background information regarding the principals of the limited liability interests and the business opportunities, including but not limited to the following:

(1) That on February 8, 2000, the California DOC issued orders finding that the business opportunities or investment contracts involving CTMs were securities and ordering World Cash, its presidents, and two Directors of WEPS, Paul Michael ("Mike") Goodman and John P. Steele, to desist and refrain from the unlawful sale of these securities in California.

(2) That on February 10, 2000, the California DOC filed a lawsuit in Sacramento County Superior Court against several entities and individuals including three directors of WEPS, Claude D. Smith, Billy Ray Smith and

Brian T. Griggs, alleging the illegal and fraudulent offer and sale of an estimated $20 million of securities in the form of short-term promissory notes to hundreds of investors, many of them elderly. The funds were alleged to be used for investments in commercial automated teller machines, cash ticket machines, and discount telephone service systems in economy motel rooms.

II.

CONCLUSIONS OF LAW

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

2. RESPONDENTS offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. RESPONDENTS violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. RESPONDENTS violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. RESPONDENTS violated A.R.S. § 44-1991(A)(2) by offering or selling securities within or from Arizona by making untrue statements or misleading omissions of material facts.

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

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

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

. . .

III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall, jointly and severally with Hotel Connect, pay restitution to Hotel Connect investors shown on the records of the Commission, pursuant to A.A.C. Rule R14-4-308, in the amount of $1,120,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional Hotel Connect investors are later discovered, RESPONDENTS shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall, jointly and severally with other Respondents who are subject to Decision No. 63680 of the Commission, pay restitution to CTM investors shown on the records of the Commission, pursuant to A.A.C. Rule R14-4-308, in the amount of $164,500, plus interest at the rate of 10% per annum from the date of each investment until paid in full. If additional CTM investors are later discovered, RESPONDENTS shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General.

The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall, jointly and severally with other Respondents who are subject to Decision No. 63680 of the Commission, pay restitution to WTM investors shown on the records of the Commission, pursuant to A.A.C. Rule R14-4-308, in the amount of $300,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional WTM investors are later discovered, RESPONDENTS shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDENTS, jointly and severally, shall pay administrative penalties in the amount of $25,000. Payment shall be made

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

IT IS FURTHER ORDERED that this Order shall become effective immediately. All restitution and penalties payments are due upon entry of this Order.

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 8TH day of November, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

PTJ

CONSENT TO ENTRY OF ORDER

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

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

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

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

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

6. By consenting to the entry of this Order, RESPONDENTS agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENTS will undertake steps necessary to assure that all of their agents and employees understand and comply with this agreement. Nothing in this provision affects

RESPONDENTS' testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENTS agree that they will not apply to the state of Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser or investment adviser representative for a period of one year and until all restitution is paid pursuant to this Order.

11. RESPONDENTS agree that they will not offer or sell, directly or indirectly, securities, unless and until registered as a securities dealer or salesman pursuant to the Securities Act of Arizona, A.R.S. § 44-1801, et seq., and they will not provide investment advisory services as defined in A.R.S. § 44-3101(5) and (6), within or from Arizona, unless and until licensed as an investment adviser or investment adviser representative pursuant to the Arizona Investment Management Act, A.R.S. § 44-3101 et seq.

12. RESPONDENTS agree that they will not exercise managerial authority or ownership of greater than ten percent (10%) of the outstanding equity interest of any company or entity engaged in the business of offering or selling, directly or indirectly, securities, or providing investment advisory services as defined in A.R.S. § 44-3101(5) and (6), within or from Arizona, for a period of one year and until all restitution is paid pursuant to this Order.

13. This agreement and Order shall be binding upon RESPONDENTS' agents, employees, assigns, and representatives acting under the authority of or at the direction of RESPONDENTS.

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

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

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

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

18. HYLAND A. STOKES represents that he is President of ESTATE PLANNING PROTECTION, INC. and has been authorized by ESTATE PLANNING PROTECTION, INC. to enter into this Order for and on behalf of it.

HYLAND A. STOKES

SUBSCRIBED AND SWORN TO BEFORE me this 16 day of OCTOBER, 2001.

Lindell Woodberry
NOTARY PUBLIC

My Commission Expires:
Sept 30 2003

LINDELL WOODBERRY
Notary Public - Arizona
Maricopa County
My Commission Expires
September 30, 2003

Docket No. S-03444A-01-0000

ESTATE PLANNING PROTECTION, INC.

By: Hyland A. Stokes, President

SUBSCRIBED AND SWORN TO BEFORE me this 16 day of OCTOBER, 2001.

NOTARY PUBLIC

My Commission Expires:
Sept 30, 2003

LINDELL WOODBERRY
Notary Public - Arizona
Maricopa County
My Commission Expires
September 30, 2003

N:\ENFORCE\CASES\WCP.pj\PLEADING\Final Consent Stokes.doc

Decision No. 64203

Decision No. 68720

When Recorded Return To:	Maricopa County Recorder 111 S. Third Ave. Phoenix, AZ 85003
Janet Napolitano Attorney General Agency Counsel Division/ Bankruptcy & Collection Enforcement Section 1275 West Washington Phoenix, Arizona 85007	

JUDGMENT DEBTOR INFORMATION

Judgment Debtor(s) last known address:	Judgment Debtor(s) address of receipt of summons:
Hyland A. Stokes	N/A
5570 E. Via Montoya Dr.	
Pheonix, AZ 85054	

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	$1,584,500.00

Creditor Address:
Janet Napolitano Attorney General David J. Dir 003606 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298 (602) 542-1719

County Recorder Information Statement Pursuant to A.R.S. §33-967(A)

BCE02-0335
320360.doc

Decision No. **68720**

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CERTIFIED COPY

MICHAEL [illegible], CLERK
BY [illegible] DEP
FILED

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STATE OF ARIZONA
CORPORATION COMMISSION

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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 are true, complete and correct copies of the ORDER TO CEASE AND DESIST, ORDER OF RESTRITUTION, ORDER FOR ADMINISTRATIVE PENALTIES, ORDER OF REVOCATION AND CONSENT TO SAME, as issued by this Commission on October 30, 2001, in DOCKET NO. S-03444A-01-0000, IN THE MATTER OF:

Hotel Connect LLC's #100-1100
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Ronald Lee Goble
Gary Lyle Christian
Hyland A. Stokes
Roger Lancette
Wallace Butterworth

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 23RD DAY OF November 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

OCT 30 2001

DOCKETED BY

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

RONALD LEE GOBLE, individually and dba
SOUTHWEST TRUST & FINANCIAL
6243 East Gelding Drive
Scottsdale, AZ 85254

GARY LYLE CHRISTIAN, individually and dba
CORNERSTONE SENIOR PLANNING
7015 West Firebird Drive
Glendale, AZ 85308

HYLAND A. STOKES, individually and dba
ESTATE PLANNING PROTECTION
6570 East Via Montoya Drive
Phoenix, AZ 85054

ROGER LANCETTE, individually and dba
NATIONAL ESTATE SERVICE AND
PLANNING and SENIOR ADVISORY
SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

WALLACE BUTTERWORTH, individually and
dba SENIOR ADVISORY SERVICES
1411 East Orangewood Avenue #239
Phoenix, AZ 85020
CRD #728693

Respondents.

Docket No. S-03444A-01-0000

ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES, ORDER OF REVOCATION AND CONSENT TO SAME

RE: WALLACE BUTTERWORTH, individually and dba BUTTERWORTH ADVISORY SERVICES and SENIOR ADVISORY SERVICES

DECISION NO. 64184

Respondent Wallace Butterworth, individually and doing business as Butterworth Advisory Services and Senior Advisory Services ("RESPONDENT"), elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, Order for Administrative Penalties, and Order of Revocation ("Order"). The aforesaid RESPONDENT admits the jurisdiction of the Arizona Corporation Commission ("Commission"); admits only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. RESPONDENT, whose last known address is 1411 E. Orangewood Ave. #239, Phoenix, Arizona 85020, was registered with the Commission as a securities salesman with Russian River Financial Services, Inc., an Arizona registered dealer, from on or about December 9, 1999, to August 3, 2001. From on or about April 12, 1995, to December 6, 1999, RESPONDENT was associated with Oak Tree Securities, Inc. ("Oak Tree"), an Arizona registered dealer.

A. **Sales and Marketing Network for "Alternative" Investments.**

2. Beginning around 1998, RESPONDENT and Roger Lancette collaborated together in Senior Advisory Services, offering financial planning services and products to seniors and retired persons. From around August 1999, RESPONDENT participated with Lancette in the offer and sale within and from Arizona of "alternative investments" including membership interests in Hotel Connect LLCs #700-900 to clients of Senior Advisory Services. Eagle Communications, Inc. ("Eagle") paid all commissions for these joint sales of Hotel Connect to Lancette, who shared those commissions with RESPONDENT.

3. RESPONDENT did not seek or obtain authority from his dealer, Oak Tree, to sell the Hotel Connect limited liability interests, and RESPONDENT failed to report the commissions he

received from those sales to his dealer. In addition to his registration as a securities salesman in Arizona, RESPONDENT is also, and was at all times pertinent hereto, licensed by the Arizona Department of Insurance as an insurance salesman.

4. RESPONDENT solicited some of his investors through cold-calls and at seminars advertised to the general public, followed by visits to the investors' homes.

5. Two of RESPONDENT's insurance clients, a married couple, sold their annuities to invest in these "alternative" investments. Upon RESPONDENT's recommendation, those two investors knowingly sustained penalties or termination charges upon the termination of their annuity contracts, and then, used the funds to purchase the "alternative" investments.

B. Description of the Hotel Connect Offerings.

6. From in or around July 1999 until February 2000, RESPONDENT offered and sold or participated in the sale of membership interests in Hotel Connect #700-900 LLC's to four investors, within and from Arizona. Investors were told that their funds would be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

7. The minimum investment for one membership interest in Hotel Connect was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told by salesmen and in sales brochures that the investment provided the investor "high returns with minimal risk, good collateralization, and liquidity in case of emergency throughout his or her ownership," and that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

8. RESPONDENT did not fully disclose the risks of the investments in Hotel Connect.

9. Investors in Hotel Connect interests have not received their first annual return, as promised.

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C. Description of the "Business Opportunities" Offerings.

10. RESPONDENT sold "business opportunities" for Mobile Cash Systems, LLC, consisting of the sale of equipment together with service agreements. Investors were to receive monthly payments resulting from a share of the profits generated from the operation of their equipment. Investors exercised no managerial or entrepreneurial duties in connection with this investment, and never even saw the equipment. The profits of the investors were dependent upon the services provided by the service companies.

11. From around January 2000 through June 2000, RESPONDENT offered and sold or participated in the sale of Mobile Cash business opportunities investments to approximately 14 investors. These sales involved wireless terminal machines ("WTMs") together with service agreements. The WTMs were handheld wireless cash ticket machines. Mobile Cash was based in Las Vegas, Nevada. The services were to be provided by two companies based in Mesa, Arizona, World Wireless Systems, Inc. ("Wireless") and World Electronic Payment Solutions ("WEPS"). Principals of Mobile Cash, Wireless and WEPS also managed or marketed Hotel Connect membership interests.

12. Investors in the Mobile Cash WTM business opportunities received monthly "revenue" payments, as promised, approximately 90 days after their investments, beginning in April 2000, even though not a single WTM machine was placed in operation. Around March 2001, the "revenue" payments to investors stopped.

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

a) Representing that the investments were safe and failing to disclose specific risks.

b) Failing to disclose financial or background information about the issuers or their principals.

c) Failing to disclose to Hotel Connect investors that there would be inter-company transfers of funds between Hotel Connect and other related companies.

d) Representing that WTM investors were to receive monthly distributions from the revenue generated from the operation of their WTMs. In fact, from April through January 2000, Wireless distributed monthly payments to investors although no equipment was placed in service for any investors.

e) Failing to disclose to WTM investors that no WTMs had been placed in service.

f) Failing to disclose that Wireless and WEPS, the service and processing companies that were supposed to manage the WTMs to generate revenue for the distributions to investors, had not even begun service operations.

g) Failing to disclose background information regarding the principals of the limited liability interests and the business opportunities, including but not limited to the fact that on February 10, 2000, the California DOC filed a lawsuit in Sacramento County Superior Court against several entities and individuals including three directors of WEPS, Claude D. Smith, Billy Ray Smith and Brian T. Griggs, alleging the illegal and fraudulent offer and sale of an estimated $20 million of securities in the form of short-term promissory notes to hundreds of investors, many of them elderly. The funds were alleged to be used for investments in commercial automated teller machines, cash ticket machines, and discount telephone service systems in economy motel rooms.

h) Failing to disclose that from August 1999 to December 1999, while registered under Oak Tree, his participation in the offer and sale of these private securities was not authorized by his dealer, and that, contrary to his reports to his dealer, he was receiving compensation for this outside business activity.

II.

CONCLUSIONS OF LAW

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

2. RESPONDENT offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. RESPONDENT violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. RESPONDENT violated A.R.S. § 44-1991 by making untrue statements or misleading omissions of material facts.

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

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

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

8. RESPONDENT is subject an order of revocation pursuant to A.R.S. § 44-1962 based upon the following conduct:

a) RESPONDENT violated §§ 44-1841 and 44-1991 of the Securities Act within the meaning of A.R.S. § 44-1962(A)(2).

b) RESPONDENT engaged in dishonest or unethical practices within the meaning of A.R.S. § 44-1962(A)(10) as defined by A.A.C. R14-4-130(A)(17). Specifically, RESPONDENT's sales of the described securities were not recorded on the records of Oak Tree, the dealer with whom he was registered at the time of at least two transactions from August to December 1999.

c) RESPONDENT engaged in dishonest or unethical practices within the meaning of A.R.S. § 44-1962(A)(10) by not complying with the rules and procedures of his dealer, Oak Tree. Specifically, RESPONDENT engaged in outside business activity involving investments without reporting the activity to Oak Tree or obtaining the approval of Oak Tree to engage in such activity, and RESPONDENT provided Oak Tree with false statements concerning his compensation from outside business activity.

III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENT shall, jointly and severally with Hotel Connect, pay restitution to Hotel Connect investors shown on the records of the Commission in the amount of $260,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents shall, jointly and severally with Respondents who are subject to Decision No. 63680 of the Commission, pay restitution to WTM investors shown on the records of the Commission in the amount of $505,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full.

Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDENT shall pay administrative penalties in the amount of $25,000. Payment shall be made in full by cashier's check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

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IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-1962, that RESPONDENT's securities salesman registration is revoked.

IT IS FURTHER ORDERED that this Order shall become effective immediately. All restitution and penalties payments are due upon entry of this Order.

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 30th day of October, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

PTJ

CONSENT TO ENTRY OF ORDER

1. Respondent Wallace Butterworth, individually and doing business as Butterworth Advisory Services and Senior Advisory Services ("RESPONDENT"), admits the jurisdiction of the Commission over the subject matter of this proceeding. RESPONDENT acknowledges that he has been fully advised of his rights to a hearing to present evidence and call witnesses and RESPONDENT knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENT acknowledges that this Order To Cease And Desist, Order for Restitution, Order for Administrative Penalties, Order of Revocation and Consent to Same ("Order") constitutes a valid final order of the Commission.

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

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

4. RESPONDENT acknowledges that he has been represented by counsel in this matter, he has reviewed this Order and understands all terms it contains.

5. RESPONDENT admits only for purposes of this proceeding and any other administrative proceedings before the Commission or any other agency of the state of Arizona, the Findings of Fact and Conclusions of Law contained in this Order.

6. By consenting to the entry of this Order, RESPONDENT agrees not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENT will undertake steps necessary to assure that all of his agents and employees understand and comply with this agreement. Nothing in this provision affects

RESPONDENT's testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENT agrees that he will never apply to the state of Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser or investment adviser representative.

11. RESPONDENT agrees that he will not offer or sell, directly or indirectly, securities or provide investment advisory services, within or from Arizona.

12. RESPONDENT agrees that he will not exercise any control over any entity or person that offers or sells, directly or indirectly, securities or provides investment advisory services, within or from Arizona.

13. RESPONDENT agrees that until restitution and penalties are paid in full, RESPONDENT will notify the Director of the Securities Division within 30 days of any change in home address or any change in RESPONDENT's ability to pay amounts due under this Order.

14. RESPONDENT understands that default shall render him liable to the Commission for its costs of collection and interest at the maximum legal rate.

15. RESPONDENT agrees that he will continue to cooperate with the Securities Division including, but not limited to, providing complete and accurate testimony at any hearing in

this matter and cooperating with the state of Arizona in any related investigation or any other matters arising from the activities described in this Order.

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

WALLACE BUTTERWORTH

SUBSCRIBED AND SWORN TO BEFORE me this 15th day of October, 2001.

NOTARY PUBLIC

My Commission Expires:

1-9-05

BOB HALL
Notary Public - Arizona
Maricopa County
My Commission Expires
January 9, 2005

N:\ENFORCE\CASES\WCP.pj\PLEADING\Consent Butterworth.doc

When Recorded Return To:	Maricopa County Recorder 111 S. Third Ave. Phoenix, AZ 85003
Janet Napolitano Attorney General Agency Counsel Division/ Bankruptcy & Collection Enforcement Section 1275 West Washington Phoenix, Arizona 85007	

JUDGMENT DEBTOR INFORMATION

Judgment Debtor(s) last known address	Judgment Debtor(s) address of receipt of summons
Wallace Butterworth	N/A
1411 E. Orangewood Ave. #239	
Phoenix, AZ 85020	

Judgment Debtor(s) date of birth:	N/A
Judgment Debtor(s) Drivers License No.	N/A
Judgment Debtor(s) SS#:	N/A
Judgment Balance:	$765,000.00

Creditor Address
Janet Napolitano Attorney General David J. Dir 003606 Assistant Attorney General 1275 West Washington Phoenix, Arizona 85007-1298 (602) 542-1719

County Recorder Information Statement Pursuant to A.R.S. §33-967(A)

BCE02-0331
320360.doc

Decision No. **68720**

7

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 are true, complete and correct copies of the ORDER TO CEASE AND DESIST AND CONSENT TO SAME, as issued by this Commission on June 28, 2001, in DOCKET NO. S-03441A-01-0000, IN THE MATTER OF:

William E. Bergh
World Wide Business Opportunities, LLC

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 9TH DAY OF July 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

Docket

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

JUN 2 8 2001

DOCKETED BY sd

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of WILLIAM E. BERGH, individually and d/b/a NATIONAL FINANCIAL GROUP 9501 W. Camino De Oro Peoria, AZ 85382 WORLD WIDE BUSINESS OPPORTUNITIES, LLC 11024 N. 28th Drive, Suite 200 Phoenix, AZ 85029, Respondents.	DOCKET NO. S-03441A-01-0000 **ORDER TO CEASE AND DESIST, ORDER OF RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME** **BY: RESPONDENTS WILLIAM E. BERGH, individually and d/b/a NATIONAL FINANCIAL GROUP and WORLD WIDE BUSINESS OPPORTUNITIES, LLC** Decision No. 63851

RESPONDENTS WILLIAM E. BERGH, individually and d/b/a NATIONAL FINANCIAL GROUP and WORLD WIDE BUSINESS OPPORTUNITIES, LLC ("RESPONDENTS") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order of Restitution, and Order for Administrative Penalties ("Order"). RESPONDENTS admit the jurisdiction of the Arizona Corporation Commission ("Commission"); admit only for purposes of this proceeding and any other proceedings before the Commission or any other agency of the State of Arizona, the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

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I.

FINDINGS OF FACT

A. Respondents.

1. WILLIAM E. BERGH ("BERGH"), doing business as NATIONAL FINANCIAL GROUP ("NFG"), is an individual, whose last known address is 9501 W. Camino De Oro, Peoria, Arizona, 85382. BERGH is, and was at all times pertinent hereto, owner and President of WORLD WIDE BUSINESS OPPORTUNITIES, LLC.

2. WORLD WIDE BUSINESS OPPORTUNITIES, LLC ("WWB") is, or was at all pertinent times, located at 11024 N. 28th Drive, Suite 200, Phoenix, Arizona, 85029.

3. On April 14, 2000, the Commission entered a Final Order for Relief and Consent to Same in Decision No. 62465 ("Order"), finding that BERGH, NFG, and WWB had sold unregistered securities, including "business opportunities," in violation of Arizona's Securities Act, revoking BERGH's securities salesman registration, and ordering BERGH, NFG and WWB to pay penalties.

B. BERGH Sold Unregistered Securities After the Commission Ordered BERGH to Cease and Desist.

4. From in or around January 1999, BERGH, acting as a sales representative for World Cash Providers, LLC, operating out of California, offered or sold, within and from Arizona, World Cash "business opportunities" involving cash ticket machines ("CTMs") together with service contracts with World Cash Providers, Inc.

5. In February 2000, the State of California Department of Corporations ("DOC") found that the business opportunities sold by World Cash Providers, LLC and World Cash Providers, Inc. (collectively "World Cash") were securities and ordered World Cash to stop selling them in California.

6. On March 24, 2000, after the Securities Division informed BERGH of the alleged violations, BERGH signed a proposed Final Order for Relief and Consent to Same ("Order and Consent"), individually and dba NFG, and as President of WWB, agreeing to cease and desist from the

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sale of unregistered securities including the World Cash CTM business opportunities, and to the permanent revocation of BERGH's securities salesman registration.

7. On April 14, 2000, the Commission entered the proposed Order, finding, *inter alia,* that the CTM business opportunities were unregistered securities and that BERGH had sold them in violation of the Securities Act, and revoking BERGH's securities salesman registration.

8. Beginning in or around January 2000, unknown to the Division or the Commission, BERGH, acting as a sales representative for Mobile Cash Systems, LLC ("Mobile Cash") based in Las Vegas, Nevada, had started selling another business opportunity program. Like the World Cash CTM business opportunity program, the Mobile Cash program involved the sale of equipment together with service contracts, for the purpose of generating a profit for investors. The equipment sold by Mobile Cash was wireless terminal machines ("WTMs"), marketed by the same promoters who had marketed the CTMs.

9. On April 17, 2000, three weeks after BERGH signed his proposed Order and Consent and three days after the Commission entered its Order, BERGH sold an $80,000 investment in WTM business opportunities to an elderly, blind investor, who relied completely on BERGH for information concerning her investment.

10. On April 19, 2000, the Commission served BERGH by certified mail a copy of the final Order against him.

11. On April 27, 2000, BERGH testified in an examination under oath before the Securities Division that he believed that the Mobile Cash WTM business opportunity investment program was a continuation of the World Cash CTM business opportunity investment program, which the Commission, in its Order against BERGH entered on April 14, 2000, had found to involve the sale of unregistered securities.

12. On or around April 5, 2000, an agent of NFG, Ray Nelson, sold a WTM business opportunity to an Arizona investor. BERGH submitted the sale to Mobile Cash as new business transacted by WWB. Mobile Cash paid the commission for the sale to BERGH on or around April 26,

2000, after the Order was entered by the Commission on April 14, 2000. BERGH paid a share of his commission to Nelson.

13. On or around May 3, 2000, Ray Nelson, acting as an agent for NFG, sold another WTM business opportunity to another Arizona investor. BERGH submitted the sale to Mobile Cash as new business transacted by WWB. Mobile Cash paid the commission for the sale to BERGH on or around June 28, 2000. BERGH paid a share of his commission to Nelson.

C. Description of the Business Opportunity Investment Programs Sold by BERGH: World Cash CTMs and Mobile Cash WTMs.

14. The equipment sold by World Cash was cash ticket machines ("CTMs"). Pursuant to the service contracts promoted with the CTMs, the service companies would manage the equipment for the purpose of generating a profit for investors. The offering documents for the CTM investment program and WTM investment program describe the equipment as serving a similar function of allowing customers of retail food outlets to use credit or debit cards to transact purchases. The primary difference is that the WTMs are wireless handheld machines, whereas the CTMs are stationary terminals similar to ATMs. CTMs are located at the site of retail merchants and issue tickets to customers that can be used to purchase food. WTMs are placed with retail merchants in order to enable electronic purchase transactions at the customers' points of delivery. The services offered include locating and installing the equipment with retail merchants, handling or processing the transactions, monitoring and maintaining the equipment, insuring the equipment, and issuing monthly profit distribution checks to the investors or "business owners."

15. The investor agreements for the CTM and WTM business opportunity programs are almost identical, and include a Sales Agreement and a Services (sic) Agreement, offered as a package to all investors. Although the Sales Agreements present options for selecting services from several companies, World Cash Providers, Inc. was the recommended service company for the CTMs, and World Wireless Solutions, Inc. dba Wireless Express USA, Inc. ("Wireless") and World Electronic Payments Solutions, Inc. ("WEPS") were the recommended service companies for the WTMs. Services

Agreements for only World Cash Providers, Inc. were included in the information packet BERGH provided to prospective CTM investors. Services Agreements for only Wireless were included in the information packet BERGH provided to prospective WTM investors. WEPS was the designated service company for transaction handling for all Wireless clients. All Arizona investors selected World Cash Providers, Inc. to service the CTMs, and Wireless and WEPS to service the WTMs.

16. Although the offering documents for the CTM and WTM Programs describe options for different levels of managing the equipment, in practice, all investors selected the full-service option, which offers a revenue-sharing feature and a buy-back provision from the recommended service company. Under the full-service option, investors have no responsibilities with respect to the operation of their equipment beyond signing the service contracts, no financial obligations apart from the initial payment to purchase the units, no continuing financial obligation in the operation of their equipment, and no liability for any expenses or costs related to the operation of the equipment. At least one of the services offered to investors, i.e., transaction handling, requires special expertise. That function, purportedly handled by WEPS, involves processing transactions, and is the key to generating a profit for investors.

17. BERGH sold the CTM and WTM business opportunities to unsophisticated investors, including elderly and retired people, who had no experience in or knowledge of the cash terminal or wireless terminal businesses, who never intended to take possession of, or to manage, the equipment, and who did not even know where their equipment was located. Through written and oral statements, BERGH represented that these were passive investments.

18. According to written materials and oral statements made to investors, investors in the CTM and WTM Programs are supposed to receive a) minimum monthly revenue equivalent to 13% of their original investment generated from the operation of their equipment; b) a share of the monthly net profit on each machine in excess of the base monthly payment; c) a full return of their investment at the end of the five-year term because they have a right to sell the equipment back to the service company for the original amount of the investment, or renew the investment; and d) if the monthly

revenue from the operation of the machine falls below the base payment, the right to request that the service company repurchase the equipment for the original sales price or relocate the equipment to another location with the potential for a higher profit from sharing in increased revenue.

19. Under the CTM Equipment Sales Agreement, World Cash Providers, LLC represented to investors that the "Closing" of the transactions contemplated by the Equipment Sales Agreement, which included delivery of the CTMs and "Leased Site" assignments to the Purchaser or the Purchaser's Agent, would occur within 30 or 60 days of the receipt of the completed contracts and collected funds. If for any reason such Closing did not occur, then the Purchaser's payment was to be promptly returned to the Purchaser. World Cash Providers, Inc., who was agent for the investor pursuant to the Services Agreement, represented to investors that their monthly distribution payments would be based upon the equipment revenues collected by the service company. Many investors received monthly "revenue" distribution payments, although their equipment was never delivered or placed in service and generated no revenue. Those investors were never informed that their equipment was not delivered or placed in service, and their funds were not returned to them.

20. World Cash Providers, Inc. paid CTM investors monthly "revenue" distribution checks until around June 2000, when the payments stopped. Many CTM investors had received monthly revenue payments even though they were never notified of the location of their machines, and never received any accounting reflecting the actual revenue generated from the operation of their CTMs.

21. As of January 11, 2000, not a single WTM had been placed in service. Since April 2000, Wireless has paid and is continuing to pay WTM investors the promised base monthly payments although no revenue has been generated. The payments have been made from funds wire transferred to Wireless from Mobile Cash Systems, LLC ("Mobile Cash"), the company that sold the equipment to the investors. Investors were not informed that their monthly "profit" distributions were not generated from the operation of their machines, or that their machines were not yet in operation.

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C. Sales and Marketing Network for the "Business Opportunities."

22. BERGH recruited sales agents from Arizona to promote and to sell the CTM and WTM business opportunity investment programs as agents of NFG ("NFG Agents").

23. BERGH was paid commissions for the sales made by at least four NFG Agents, including Nelson. BERGH negotiated commission splits individually with his NFG Agents and paid them from his own account. BERGH's commissions for the sale of the CTM business opportunities was 13-15% of the investors' funds, and his commissions for the sale of the WTM business opportunities was 17% of investors' funds. BERGH decided what commissions to pay to each of his NFG Agents individually.

24. BERGH scheduled sales meetings and training seminars for NFG Agents, to coach them on how to sell the investment programs, and provided NFG Agents offering materials and contracts.

25. BERGH recommended these investments as more profitable than other investments, and encouraged investors to transfer funds from CDs, mutual funds, and/or annuities, for their financial betterment. BERGH and his NFG Agents recommended these investments to some clients who had obtained their investment funds from reverse mortgages on their homes. BERGH's wife, Robin Bergh, and her associate, Stacy Beehler, "reverse-mortgage specialists for Norwest Bank," had referred these clients to BERGH and NFG for financial advice concerning how to invest the funds they obtained from reverse mortgages on their homes in order to get monthly income for living expenses.

26. From in or around January 1999 through March 2000, BERGH and his NFG Agents offered and sold the World Cash CTM business opportunities within and from Arizona to approximately 20 investors who invested approximately $1,067,000. The minimum investment, which was $7,000 for two CTMs at $3,500 each, increased in or around October 1999 to $9,000 for two CTMs at $4,500 each, for a five-year term.

27. From in or around March 2000 through May 2000, BERGH and his NFG Agents offered and sold the Mobile Cash WTM business opportunities within and from Arizona to approximately seven investors who invested approximately $195,000. The minimum investment was $10,000 for two WTMs at $5,000 each, for a five-year term.

28. From around January 1999 through around May 2000, in connection with the offer or sale of securities within or from Arizona, BERGH directly or indirectly made untrue statements of material fact or omitted to state material facts which were necessary in order to make the statements made not misleading in light of the circumstances under which they were made. BERGH's conduct includes, but is not limited to, the following:

a) BERGH misrepresented the safety of the CTM and WTM investments and failed to disclose risks, including the potential loss of investment funds.

b) BERGH misrepresented to CTM investors that their equipment would be delivered within 30 days of their completed contract. BERGH failed to disclose that many of the CTMs that were purchased were never delivered or placed in service.

c) BERGH represented that CTM investors were to receive monthly distributions from the revenue generated from the operation of their CTMs. In fact, however, monthly distributions were being paid to many investors for CTMs that were never placed in service for them.

d) BERGH represented that investors were to receive monthly distributions from the revenue generated from the operation of their WTMs. In fact, however, from April through December 2000, WIRELESS distributed monthly payments to investors although no equipment was placed in service for any investors.

e) BERGH failed to disclose to WTM investors that no WTMs had been placed in service, and that no revenue had been generated from the operation of these units.

f) BERGH failed to disclose to WTM investors that Wireless and WEPS, the service companies that were supposed to manage the equipment to generate revenue for the distributions, had not even begun service operations.

g) BERGH failed to disclose to investors that he was receiving sales commissions in the amount of 13-15% of investors' funds for the sale of the CTMs, and 17% for the sale of the WTMs.

h) BERGH failed to disclose any financial or background information about World Cash, Mobile Cash, Wireless, or WEPS, or their principals.

i) In particular, BERGH failed to disclose to investors who invested subsequent to the following events:

(1) That on February 8, 2000, the California DOC issued orders against World Cash to desist and refrain from the unlawful sale of securities involving the World Cash CTM business opportunities.

(2) That on March 24, 2000, BERGH signed a proposed Order and Consent, negotiated by BERGH with the Division, in which BERGH agreed to cease and desist from the offer or sale of unregistered securities and to pay penalties for the sale of securities, including investment contracts involving World Cash CTMs, membership interests in Hotel Connect LLCs, and pay telephones.

(3) That on April 14, 2000, the Commission entered the Order finding the business opportunities involving CMTs were unregistered securities, and ordering BERGH to Cease and Desist from the sale of unregistered securities, to pay penalties, and revoking BERGH's securities salesman's registration.

II.

CONCLUSIONS OF LAW

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

2. RESPONDENTS offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. RESPONDENTS violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. RESPONDENTS violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. RESPONDENTS violated A.R.S. § 44-1991(A)(2) by offering or selling securities within or from Arizona by making untrue statements or misleading omissions of material facts which

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

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

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

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

III.

ORDER

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

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to WTM investors shown on the records of the Commission in the amount of $145,000 plus interest at the rate of 10% per annum from the date of each investment until paid in full. This amount is to be reduced by the amount of any distributions received on the security from any source, consistent with Rule R14-4-308. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that RESPONDENTS shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution

to CTM investors shown on the records of the Commission in the amount of $963,000 plus interest at the rate of 10% per annum from the date of each investment until paid in full. This amount is to be reduced by the amount of any distributions received on the security from any source, consistent with Rule R14-4-308. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that RESPONDENTS, jointly and severally, shall pay an administrative penalty in the amount of $25,000. Payment shall be made in full by cashier's check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

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

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 28th day of June, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

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CONSENT TO ENTRY OF ORDER

1. RESPONDENTS WILLIAM E. BERGH dba NATIONAL FINANCIAL GROUP and WORLD WIDE BUSINESS OPPORTUNITIES, LLC. (RESPONDENTS) admit the jurisdiction of the Commission over the subject matter of this proceeding. RESPONDENTS acknowledge that they have been fully advised of their right to a hearing to present evidence and call witnesses and RESPONDENTS knowingly and voluntarily waive any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. RESPONDENTS acknowledge that this Order To Cease And Desist, Order for Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

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

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

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

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

6. By consenting to the entry of this Order, RESPONDENTS agree not to take any action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. RESPONDENTS will undertake steps necessary to assure that all of their agents and employees understand and comply with this agreement. Nothing in this provision affects RESPONDENTS'

testimonial obligations or right to take legal positions in litigation in which an administrative agency of the state of Arizona is not a party.

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

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

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

10. RESPONDENTS agree that they will not apply to the state of Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser or investment adviser representative.

11. RESPONDENTS agree that they will not offer or sell, directly or indirectly, securities or provide investment advisory services, within or from Arizona.

12. RESPONDENTS agree that they will not exercise any control over any entity or person that offers or sells, directly or indirectly, securities or provides investment advisory services, within or from Arizona.

13. This agreement and Order shall be binding upon RESPONDENTS' agents, heirs, employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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

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

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

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

18. WILLIAM E. BERGH represents that he is Managing Member of WWB and has been authorized by WWB to enter into this Order for and on behalf of it.

WILLIAM E. BERGH, individually and dba
NATIONAL FINANCIAL GROUP

SUBSCRIBED AND SWORN TO BEFORE me this 29th day of MAY, 2001.

Floyd R. Brown
NOTARY PUBLIC

My Commission Expires:
Oct. 20, 2003

OFFICIAL SEAL
FLOYD R. BROWN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Oct. 20, 2003

WORLD WIDE BUSINESS OPPORTUNITIES, LLC

By: William E. Bergh, Managing Member

SUBSCRIBED AND SWORN TO BEFORE me this 29th day of MAY, 2001.

Floyd R. Brown
NOTARY PUBLIC

My Commission Expires:
Oct. 20, 2003

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OFFICIAL SEAL
FLOYD R. BROWN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Oct. 20, 2003

8

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This SETTLEMENT AGREEMENT AND GENERAL RELEASE ("Settlement Agreement") is entered into by and between JENNINGS, STROUSS & SALMON, P.L.C., DOUGLAS DUNIPACE, and JANET DUNIPACE (collectively, "Defendants"), and the following individuals:

1. WILLIAM BERGH;
2. ROGER W. BROWN (William Bergh's Bankruptcy Trustee);
3. WALLACE BUTTERWORTH;
4. GARY CHRISTIAN;
5. CHARLES L. RILEY, JR. (Gary Christian's Bankruptcy Trustee);
6. RONALD GOBLE;
7. ROGER LANCETTE;
8. MARK MELKOWSKI; and
9. HYLAND STOKES.

These individuals will hereinafter be referred to as "the Bergh Parties." Defendants and the Bergh Parties are collectively referred to hereinafter as the "Parties." It is expressly agreed and understood that Messrs. Brown and Riley are entering into this Settlement Agreement solely in their capacities as Trustees for the bankruptcy estates of Mr. Bergh and Mr. Christian, respectively, and not in their personal or any other representative capacities.

WHEREAS, the Parties are engaged in litigation in an action pending in the Superior Court of Arizona in and for Maricopa County, captioned *William Bergh, et al. v Jennings, Strouss & Salmon, P.L.C., et al.*, Case No. CV2002-019445 (the "Lawsuit").

WHEREAS, after amendments, the Lawsuit alleged causes of action against Defendants for: (1) Negligence; (2) Breach of Fiduciary Duty; (3) Negligent Misrepresentation; (4) Negligent Supervision; and (5) Punitive Damages. Defendants deny any wrongdoing or liability to the Bergh Parties, whether for claims alleged against Defendants in the Lawsuit or otherwise.

WHEREAS, in order to avoid costly and time-consuming litigation, the Parties desire to enter into this Settlement Agreement in full settlement and discharge of all claims against Defendants which are or might have been the subject of the Lawsuit brought by the Bergh Parties, upon the terms and conditions set forth below.

THEREFORE, in consideration of the promises, agreements, and covenants hereinafter set forth, the Parties agree as follows:

1. The Parties covenant and agree that Defendants' agreement set forth below to pay the Bergh Parties, and the Bergh Parties' general release set forth below, are subject to the following conditions precedent: (1) approval by the United States Bankruptcy Court for the District of Arizona, in William Bergh's bankruptcy proceeding captioned *In re William Edward Bergh and Robin Lynn Bergh*, No. 2:01-bk-13256-SSC ("Bergh's Bankruptcy Proceeding") of the compromise of the claims in the Lawsuit owned by the Bergh bankruptcy estate (the "Bergh Bankruptcy Court Approval"); (2) approval by the United States Bankruptcy Court for the District of Arizona, in Gary Christian's bankruptcy proceeding captioned *In re Gary Lyle Christian and Roberta Jean Christian*, No. 2:05-bk-24086-SSC ("Christian's Bankruptcy Proceeding") of the compromise of the claims in the Lawsuit owned by the Christian bankruptcy estate (the "Christian Bankruptcy Court Approval"); and (3) approval of the terms set forth in this Settlement Agreement by the Arizona Corporation Commission and the Arizona Attorney General ("State Approval").

2. For and in consideration of the general release set forth below, and other good and valuable consideration, Defendants will collectively pay the Bergh Parties the total sum of Three Million Two Hundred Fifty Thousand Dollars ($3,250,000.00) (the "Settlement Funds") within ten (10) days of the Bergh Bankruptcy Court Approval and the Christian Bankruptcy Court Approval, whichever is later, provided that State Approval occurs prior to, or within, that ten (10) day period. If State Approval does not occur prior to, or within, that ten (10) day period, the Defendants shall pay the Settlement Funds within three (3) days following State Approval. The Settlement Funds will be made payable as follows: Two Million Two Hundred Forty-One Thousand Four Hundred Thirty-Four Dollars ($2,241,434.00) payable to Stinson Morrison Hecker Trust Account and One Million Eight Thousand Five Hundred Sixty-Six Dollars ($1,008,566.00) payable jointly to Stinson Morrison Hecker Trust Account and Kevin. L. Beckwith, P.C.

3. In connection with the execution of this Settlement Agreement, the Parties agree to execute and file with the Court, within seven (7) days of Defendants' disbursement of the Settlement Funds, a stipulation and order of dismissal of the Lawsuit with prejudice. A copy of the Stipulation for Dismissal of the Lawsuit with Prejudice along with an accompanying Order is attached hereto as Exhibit A.

4. Each and every party to the Lawsuit will bear their own attorneys' fees, costs, and expenses.

5. The Bergh Parties, their respective affiliates, spouses, children, heirs, principals, subsidiaries, attorneys, officers, agents, employees, former employees, trustees, beneficiaries, servants, directors, future employees, partners, independent contractors, executors, successors and predecessors-in-interest, administrators, and assigns hereby, knowingly and voluntarily, forever waive, release and discharge Defendants and their affiliates, spouses, children, heirs, principals, subsidiaries, attorneys, officers, agents, employees, former employees, trustees, beneficiaries, servants, directors, future employees, partners, independent contractors, executors, successors and predecessors-in-interest, administrators, insurors and assigns of and from all claims, demands, actions, and causes of action, or causes of liability, rights, and offset rights, whether at law or in equity, whether known or unknown, asserted or unasserted, including without limitation any form of injunctive or equitable relief, any award of actual, consequential, incidental, liquidated or

other types or categories of damages, any award of punitive or exemplary damages, any claims for attorneys' fees or costs or expenses of litigation, and any other type of relief which the Bergh Parties have or may have as of the date of execution of this Settlement Agreement including, but not limited to, all claims arising out of or relating to the facts asserted in the Lawsuit.

6. The Bergh Parties acknowledge and agree that the waivers, releases and discharges in this Settlement Agreement are general releases of all existing claims, known or unknown, discovered or undiscovered. The Bergh Parties acknowledge and agree that they may hereafter discover claims, facts or causes of action presently unknown, unsuspected, or different from those that they now suspect or believe to be true. The Bergh Parties expressly waive and assume the risk of any and all claims or causes of action that exist as of this date, but of which they do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, could materially affect their decision to enter into this Settlement Agreement. The Bergh Parties expressly waive and assume the risk that the facts and/or law may be other than they believe them to be. The Bergh Parties further agree that they are accepting the consideration provided under this Settlement Agreement as a complete compromise of all matters involving disputed issues of law and fact. The Bergh Parties intend by the execution of this Settlement Agreement to fully, finally, and forever release all known and unknown claims against Defendants, notwithstanding the discovery or existence of any additional or different facts or claims at any time after they sign this Settlement Agreement.

7. This Settlement Agreement may be executed in one or more counterparts (including multiple signature pages), all of which shall be deemed to be one instrument. True and correct copies may be used in lieu of the original.

8. This Settlement Agreement shall be binding upon the heirs, legal representatives, successors and assigns of the Parties hereto and shall become binding and effective upon the full execution and delivery hereof.

9. The Parties expressly agree that the consideration specified in this Settlement Agreement is adequate.

10. This Settlement Agreement contains the entire agreement between the Parties and supersedes any prior agreements or understandings, written or oral, concerning the subject matter. No provision of this Settlement Agreement shall be amended, waived, or modified except by instrument in writing, signed by the Parties hereto.

11. The prevailing party(s) in any action to enforce this Settlement Agreement or for breach of this agreement shall be awarded its or their attorneys' fees, costs, and expenses.

12. In entering into this Settlement Agreement, all parties to the Lawsuit represent that they have relied upon the advice of their respective attorneys, who are the attorneys of their own choice, concerning the legal consequences of this Settlement Agreement; that the terms of this Settlement Agreement have been completely read and explained to all parties to the Lawsuit by their

respective attorneys; and that the terms of this Settlement Agreement are fully understood and voluntarily accepted by each and every party.

13. The Parties agree that no part of this Settlement Agreement shall be deemed an admission of liability or fault by any of the Parties. The Parties recognize that this Settlement Agreement constitutes a compromise of disputed claims by the respective parties, liability for which is expressly denied by the Parties.

14. This Settlement Agreement shall be governed in all respects, whether as to validity, construction, capacity, performance, or otherwise by the laws of the State of Arizona. If any provision of this Settlement Agreement is held by a competent jurisdiction to be invalid, void, or unenforceable for any reason whatsoever, the remaining provisions of this Settlement Agreement shall nonetheless continue in full force and effect without being impaired in any manner whatsoever.

15. In the event that any of the conditions precedent to Defendants' obligation to disburse the Settlement Funds, as set forth in paragraph 1 of this Settlement Agreement, have not been satisfied within six (6) months following the last date upon which any of the Parties executes this Settlement Agreement, then this Settlement Agreement and General Release shall become null and void and of no force and effect.

16. The Parties acknowledge that the Arizona Corporation Commission and the Arizona Attorney General are not parties to this Agreement and are not bound by its terms.

WILLIAM BERGH

By: _____ 5-8-06
Date

ROGER W. BROWN (WILLIAM BERGH'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

WALLACE BUTTERWORTH

By: _____ _____
Date

GARY CHRISTIAN

respective attorneys; and that the terms of this Settlement Agreement are fully understood and voluntarily accepted by each and every party.

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WILLIAM BERGH

By: _____ _____
Date

ROGER W. BROWN (WILLIAM BERGH'S BANKRUPTCY TRUSTEE)

By: _____ 5-8-06
Date

WALLACE BUTTERWORTH

By: _____ _____
Date

GARY CHRISTIAN

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16. The Parties acknowledge that the Arizona Corporation Commission and the Arizona Attorney General are not parties to this Agreement and are not bound by its terms.

WILLIAM BERGH

By: _____ _____
Date

ROGER W. BROWN (WILLIAM BERGH'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

WALLACE BUTTERWORTH

By: Wallace Butterworth 5.5.06
Date

GARY CHRISTIAN

By: _____ 5-6-06
Date

CHARLES L. RILEY, JR. (GARY CHRISTIAN'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

RONALD GOBLE

By: _____ _____
Date

ROGER LANCETTE

By: _____ _____
Date

MARK MELKOWSKI

By: _____ _____
Date

HYLAND STOKES

By: _____ _____
Date

JENNINGS, STROUSS & SALMON

By: _____ _____
Its: _____ Date

By: _____ _____
Date

CHARLES L. RILEY, JR. (GARY CHRISTIAN'S BANKRUPTCY TRUSTEE)

By: Charles L. Riley Jr. TRUSTEE May 5, 2006
Date

RONALD GOBLE

By: _____ _____
Date

ROGER LANCETTE

By: _____ _____
Date

MARK MELKOWSKI

By: _____ _____
Date

HYLAND STOKES

By: _____ _____
Date

JENNINGS, STROUSS & SALMON

By: _____ _____
Its: _____ Date

By: _____ _____
Date

CHARLES L. RILEY, JR. (GARY CHRISTIAN'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

RONALD GOBLE

By: Ronald Goble 5-8-06
Date

ROGER LANCETTE

By: _____ _____
Date

MARK MELKOWSKI

By: _____ _____
Date

HYLAND STOKES

By: _____ _____
Date

JENNINGS, STROUSS & SALMON

By: _____
Its: _____ _____
Date

By: _____ _____
Date

CHARLES L. RILEY, JR. (GARY CHRISTIAN'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

RONALD GOBLE

By: _____ _____
Date

ROGER LANCETTE

By: _____ 5/5/01
Date

MARK MELKOWSKI

By: _____ _____
Date

HYLAND STOKES

By: _____ _____
Date

JENNINGS, STROUSS & SALMON

By: _____ _____
Its: _____ Date

By: _____ _____
Date

CHARLES L. RILEY, JR. (GARY CHRISTIAN'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

RONALD GOBLE

By: _____ _____
Date

ROGER LANCETTE

By: _____ _____
Date

MARK MELKOWSKI

By: _____ 5/8/06
Date

HYLAND STOKES

By: _____ 5/8/06
Date

JENNINGS, STROUSS & SALMON

By: _____ _____
Its: _____ Date

By: _____ _____
Date

CHARLES L. RILEY, JR. (GARY CHRISTIAN'S BANKRUPTCY TRUSTEE)

By: _____ _____
Date

RONALD GOBLE

By: _____ _____
Date

ROGER LANCETTE

By: _____ _____
Date

MARK MELKOWSKI

By: _____ _____
Date

HYLAND STOKES

By: _____ _____
Date

JENNINGS, STROUSS & SALMON

By: John C West 5-8-06
Its: Managing member Date

DOUGLAS DUNIPACE

By: _____ May 7, 2006
Date

JANET DUNIPACE

By: _____ 5/7/2006
Date

1770601.6

9

FILED
AUG 30 2002
MICHAEL K. JEANES, Clerk
N. AVITA
Deputy

1:24pm

CERTIFIED COPY

PAID
4947767

SEAL OF THE ARIZONA CORPORATION COMMISSION
DITAT DEUS
1912

STATE OF ARIZONA CORPORATION COMMISSION

TJ2002-003769

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 ORDER TO CEASE AND DESIST, ORDER FOR RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES, AND FOR OTHER AFFIRMATIVE ACTION AGAINST RESPONDENTS HOTEL CONNECT LLC'S #100-1100, as issued by this Commission on September 18, 2001, in DOCKET NO. S-03444A-01-0000, IN THE MATTER OF:

Hotel Connect LLC's #100-1100
Mark Alan Melkowski, Sr.
Eagle Communications, Inc.
Ronald Lee Goble
Gary Lyle Christian
Hyland A. Stokes
Roger Lancette
Wallace ButterWorth

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 23RD DAY OF November 2001 A.D.

EXECUTIVE SECRETARY

Decision No. **68720**

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

SEP 1 8 2001

DOCKETED BY VL

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

In the matter of:

HOTEL CONNECT LLC's #100-1100
3649 West Beechwood Suite 103
Fresno, CA 93711

MARK ALAN MELKOWSKI, SR.
2173 East La Vieve Lane
Tempe, AZ 85254

EAGLE COMMUNICATIONS, INC.
4430 N. Civic Center Plaza #204
Scottsdale, AZ 85251

RONALD LEE GOBLE, individually and dba
SOUTHWEST TRUST & FINANCIAL
6243 East Gelding Drive
Scottsdale, AZ 85254

GARY LYLE CHRISTIAN, individually and dba
CORNERSTONE SENIOR PLANNING
7015 West Firebird Drive
Glendale, AZ 85308

HYLAND A. STOKES, individually and dba
ESTATE PLANNING PROTECTION
5570 East Via Montoya Drive
Phoenix, AZ 85054

ROGER LANCETTE, individually and dba
NATIONAL ADVISORY SERVICES and
SENIOR ADVISORY SERVICES
6857 East Montreal Place
Scottsdale, Arizona 85254

WALLACE BUTTERWORTH, individually and
dba SENIOR ADVISORY SERVICES
1411 East Orangewood Avenue #239
Phoenix, AZ 85020
CRD #728693

Respondents.

Docket No. S-03444A-01-0000

ORDER TO CEASE AND DESIST, ORDER FOR RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES, AND FOR OTHER AFFIRMATIVE ACTION AGAINST RESPONDENTS HOTEL CONNECT LLC'S #100-1100

DECISION NO. 64041

I.

INTRODUCTION

1. On July 18, 2001, the Securities Division (the "Division") of the Arizona Corporation Commission (the "Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties, for Revocation, and for Other Affirmative Action (the "Notice") against, *inter alia,* HOTEL CONNECT LLC's #100-1100 (collectively "HOTEL CONNECT"), alleging violations of the Securities Act of Arizona (the "Act"). The Notice specified that HOTEL CONNECT 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.A.C. Rule R14-4-306(B).

2. On July 26, 2001, the Division served a copy of the Notice upon HOTEL CONNECT by personal service pursuant to A.R.S. § 44-1972 (D), as permitted by A.A.C. Rule R14-4-304(B), to the statutory agent of record, Corporation Trust Company of Nevada, 6100 Neil Road, Reno, Nevada 89511. *See* copy of Affidavit of Service attached hereto as Exhibit "A." Pursuant to A.A.C. Rule R14-4-306(B), a Respondent is permitted to request a hearing in writing within 10 business days after receipt of the Notice by Respondent. HOTEL CONNECT failed to request an administrative hearing.

II.

FINDINGS OF FACT

A. Sales and Marketing Network for "Alternative" Investments.

3. HOTEL CONNECT is a series of Nevada limited liability companies, organized between June 5, 1998, and August 5, 1999. Their principal place of business is 3649 W. Beechwood Ave., Suite 103, Fresno, California, 93711. At all pertinent times, HOTEL CONNECT was purportedly in the business of acquiring, owning, and operating hotel telephone long distance and operator service systems.

4. In or around October 1998, Respondent Mark Alan Melkowski, Sr. and his company Respondent Eagle Communications, Inc. (collectively, "Melkowski") recruited several licensed

insurance salesmen to contract as sales agents for HOTEL CONNECT and World Cash Providers, LLC ("World Cash") to sell "alternative" investments to their clients. Melkowski acted as a managing sales agent for HOTEL CONNECT. Melkowski received commissions for the sale of the HOTEL CONNECT membership interests in the amount of 20% of the funds raised from investors.

5. HOTEL CONNECT provided joint sales conferences and training sessions for sales agents on how to sell the LLC membership interests and World Cash business opportunities programs.

6. In late 1998 or early 1999, top sales producers were rewarded for high volume sales with a "getaway" trip and seminar held in New Orleans. Several training sessions and seminars were held in Fresno, California through late 1999.

7. On February 8, 2000, the California Department of Corporations ("DOC") found that the World Cash business opportunities were securities sold in violation of California law, and ordered World Cash and some of its principals, managers and marketers to stop selling these business opportunities in California.

8. In February 2000, after the California DOC ordered World Cash to desist and refrain from further sales of business opportunities in California, Respondent sales agents stopped selling HOTEL CONNECT and World Cash products.

9. In or around March 2000, several sales agents attended a sales seminar held in Las Vegas, Nevada, to promote the sale of Mobile Cash Systems, LLC (Mobile Cash) business opportunities, a new program marketed by the same principals who offered the HOTEL CONNECT and the World Cash products.

10. Respondent sales agents solicited some of their investors through cold-calls and at seminars advertised to the general public, followed by visits to the investors' homes.

11. In some instances, Respondent sales agents went to investors' homes to sell them annuities, and then later represented to these investors that these "alternative" investments would be better investments for them because they could make a larger profit from these investments.

Respondent sales agents encouraged their insurance clients to sell their annuities to invest in these "alternative" investments. Some investors sustained penalties or termination charges upon the termination of their annuity contracts, and then, upon Respondent sales agents' recommendations, used the funds to purchase the "alternative" investments.

B. Description of the Hotel Connect Offerings.

12. From in or around October 1998 until February 2000, HOTEL CONNECT offered and sold within and from Arizona membership interests to approximately 110 investors, who invested approximately $5,350,000. Investors were told that their funds would be used to operate a hotel long distance and operator service for the purpose of generating a profit for investors.

13. The minimum investment for one membership interest in HOTEL CONNECT was $10,000, for a projected annualized average 17.6% return for the first five years. Investors were told by salesmen and in sales brochures that the investment provided the investor "high returns with minimal risk, good collateralization, and liquidity in case of emergency throughout his or her ownership," and that they could expect annual yields on their investments of 14% during year one, and up to 20% annual yields during year five.

14. While HOTEL CONNECT subscription documents provide specifically that the investments "will be sold only to accredited investors," in fact the investments were in many cases sold to investors who did not meet the definition of an accredited investor as that term is defined under federal law and adopted under the Securities Act.

15. HOTEL CONNECT did not fully disclose the risks of the investments in HOTEL CONNECT.

16. Investors in HOTEL CONNECT interests have not received their first annual return, as promised.

17. In connection with the offer or sale of securities within or from Arizona, HOTEL CONNECT directly or indirectly: (i) employed a device, scheme or artifice to defraud; (ii) made untrue statements of material fact or omitted to state material facts which were necessary in order to

make the statements made not misleading in light of the circumstances under which they were made; or (iii) engaged in transactions, practices or courses of business which operated or would operate as a fraud or deceit upon offerees and investors. HOTEL CONNECT'S conduct includes, but is not limited to, the following:

a) Misrepresenting the safety of these investments and/or failing to disclose specific risks.

b) Failing to disclose financial or background information about the issuers or their principals.

c) Failing to disclose to HOTEL CONNECT investors that there would be inter-company transfers of funds between HOTEL CONNECT and World Cash or other companies.

III.

CONCLUSIONS OF LAW

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

2. HOTEL CONNECT offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. HOTEL CONNECT violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. HOTEL CONNECT violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. HOTEL CONNECT violated A.R.S. § 44-1991 by offering or selling securities within or from Arizona by (i) employing a device, scheme or artifice to defraud, (ii) making untrue statements or misleading omissions of material facts, and (iii) engaging in transactions, practices or courses of business which operate or would operate as a fraud or deceit.

6. HOTEL CONNECT failed to request a hearing.

7. HOTEL CONNECTS' conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-2032.

8. HOTEL CONNECTS' conduct is grounds for an order of restitution pursuant to A.R.S. § 44-2032.

9. HOTEL CONNECTS' conduct is grounds for administrative penalties under A.R.S. § 44-2036.

IV.

ORDER

THEREFORE, on the basis of the Findings of Fact and Conclusions of Law, the following relief is appropriate, in the public interest, and necessary for the protection of investors:

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

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that HOTEL CONNECT shall, jointly and severally with any other Respondents who are subject to Orders of the Commission, pay restitution to HOTEL CONNECT LLC membership interest investors shown on the records of the Commission in the amount of $5,350,000, plus interest at the rate of 10% per annum from the date of each investment, until paid in full. If additional HOTEL CONNECT investors are later discovered, HOTEL CONNECT shall pay claims of those investors under the terms of this Order. Payment shall be made by cashier's check or money order payable to the "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the state of Arizona.

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. . .

. . .

. . .

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that HOTEL CONNECT shall pay administrative penalties in the amount of $50,000. Payment shall be made in full by cashier's check or money order on the date of this Order, payable to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.

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

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 18th day of September, 2001.

BRIAN C. McNEIL
Executive Secretary

DISSENT

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

PTJ

Docket No. S-03444A-01-0000

RECEIVED

2001 JUL 30 P 12: 40

AZ CORP COMMISSION
DOCUMENT CONTROL

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION
1755 E. PLUMB LANE SUITE #231
RENO, NV 89502
(775) 688-1755

In the Matter of: Hotel Connect LLC's 100-1100 Respondent(s).	AFFIDAVIT OF SERVICE OF NOTICE OF OPPORTUNITY FOR HEARING REGARDING PROPOSED ORDER TO CEASE AND DESIST, FOR RESTITUTION, FOR ADMINISTRATIVE PENALTIES, FOR REVOCATION, AND FOR OTHER AFFIRMATIVE ACTION DOCKET NO. S-03444A-01-0000

State of Nevada)
) ss.
County of Washoe)

I, SCOTT R. BALDER, being first duly sworn, depose and say:

1. That on the 25th day of JULY, 2001, I received the above referenced document in the above-referenced matter.

2. That on the 26th day of JULY, 2001, I served a true and correct copy of said document, by personal service, on Faye Martin located at: Corporation Trust Company of Nevada, 6100 Neil Road, Reno Nevada 89511 Resident Agent for Hotel Connect L.L.C. 100-1100.

DATED this 26th day of JULY, 2001.

SCOTT R. BALDER

Subscribed and sworn to before me
By: SCOTT R. BALDER
this 26th day of JULY, 2001.

Notary Public in and for said County and State

EVE ANN McKNIGHT
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No. 96-1174-2 - Expires February 14, 2004

68720

Decision No. 64041
EXHIBIT A