

1 Respondents Mobile Cash Systems, L.L.C. (“MCS”), World Wireless Solutions, Inc. a/k/a
2 Wireless Express USA, Inc. (“Wireless”), World Electronic Payment Solutions, Inc. d/b/a/ WEPS
3 (“WEPS”), Kimber Lea Baudour (“Baudour”), World Cash Providers, L.L.C. (“WCP LLC”) and
4 World Cash Providers, Inc. (“WCP, Inc.”) elect to permanently waive any right to a hearing and
5 appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.*
6 (“Securities Act”) with respect to this Order To Cease And Desist, Order of Restitution, and Order
7 for Administrative Penalties (“Order”). The aforesaid respondents admit the jurisdiction of the
8 Arizona Corporation Commission (“Commission”); admit only for purposes of this proceeding and
9 any other administrative proceedings before the Commission or any other agency of the State of
10 Arizona, and any civil proceedings, the Findings of Fact and Conclusions of Law contained in this
11 Order; and consent to the entry of this Order by the Commission.

12 **I.**

13 **FINDINGS OF FACT**

14 **A. Respondents.**

15 1. MCS is a Nevada limited liability company organized on December 14, 1999. Its
16 principal place of business is 8215 South Eastern Avenue, Suite 239, Las Vegas, Nevada, 89123.
17 At all pertinent times, MCS was in the business of selling wireless terminals machines
18 (“WTMs”) and marketing a “business opportunity program” involving electronic transaction
19 processing of WTMs.

20 2. Wireless is an Arizona corporation, incorporated on March 28, 2000. Its principal
21 place of business is 544 W. Iron Drive, Suite 102, Mesa, Arizona, 85210. At all pertinent times,
22 the business purpose of Wireless was to place and service wireless terminal machines.

23 3. WEPS is a Nevada corporation, incorporated on August 9, 1999. Its principal
24 place of business is 544 W. Iron Drive, Suite 102, Mesa, Arizona, 85210. At all pertinent times,
25 the business purpose of WEPS was to provide transaction handling and monitoring services for
26 WTMs.

1 4. Baudour is an individual who, during all times pertinent, was a resident of
2 Arizona and Nevada. Baudour's Arizona address is, or was, 873 North Crossbow Court,
3 Chandler, Arizona, 85225; her current address is 9930 Spencer Street, #29, Las Vegas, Nevada
4 89123. Baudour was formerly Director of Operations for WCP, Inc. Baudour became Vice
5 President of Operations for Wireless from its initial incorporation on March 28, 2000. Baudour
6 became President of Wireless and WEPS in or around June 2000.

7 5. WCP, LLC is a Nevada limited liability company organized on December 8, 1997.
8 Its principal place of business is 6330 S. Sandhill Road, Suite 6, Las Vegas, Nevada, 89120. At
9 all pertinent times, WCP, LLC was in the business of selling cash ticket machines ("CTMs") and
10 marketing a "business opportunity program" involving electronic transaction processing of
11 CTMs.

12 6. WCP, Inc. is a California corporation, incorporated on October 30, 1997. Its
13 principal place of business is 3649 W. Beechwood Ave., Suite 103, Fresno, California, 93711.
14 At all pertinent times, WCP, Inc. was in the business of providing maintenance, installation,
15 transaction handling and monitoring for CTMs.

16 **B. Description of the Business Opportunity Investment Programs:**
17 **WORLD CASH CTMs and MOBILE CASH WTMs.**

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

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

4 9. After World Cash Respondents stopped selling CTM business opportunities, some
5 of the owners, managers and marketers of World Cash Respondents initiated a new business
6 opportunities program substantially similar to the World Cash Respondents’ program, involving
7 the sale of WTMs together with service contracts. Under the new program, from in or around
8 February 2000 until in or around October 2000, MCS sales agents offered and sold WTMs
9 together with service contracts, whereby the service companies would manage the equipment for
10 the purpose of generating a profit for investors. WTM purchasers contracted with Wireless to
11 obtain services from Wireless and WEPS. (Hereafter, MCS, Wireless, and WEPS are referred to
12 collectively as the “Mobile Cash Respondents”.) The Mobile Cash Respondents and Baudour
13 operated from bases of operations in Nevada and Arizona.

14 10. The offering documents for World Cash Respondents’ CTM Program and Mobile
15 Cash Respondents’ WTM Program describe the equipment as serving a similar function of allowing
16 customers of retail food outlets to use credit or debit cards to electronically process merchant
17 transactions. WTMs are small hand-held mobile units, while CTMs are small stationary cash ticket
18 machines. CTMs are located at a merchant’s place of business. WTMs can accompany delivery of
19 food, and be used to record a purchase and generate receipts for the purchaser and the merchant.
20 The services offered by WCP, Inc. for the CTM Program and by Wireless and WEPS for the WTM
21 Program include locating and installing the equipment with retail merchants, handling or processing
22 the transactions, monitoring and maintaining the equipment, and issuing monthly “revenue”
23 distribution checks to the investors or “business owners.”

24 11. The investor agreements for the CTM and WTM business opportunity programs
25 are almost identical, and include a Sales Agreement and a Services (sic) Agreement, offered as a
26 package to all investors. Although the Sales Agreements present options for selecting services

1 from several companies, WCP, Inc. was the recommended service company for the CTMs, and
2 Wireless and WEPS were the recommended services companies for the WTMs. Services
3 Agreements for only WCP, Inc. were included in the information packet provided to prospective
4 CTM investors. Services Agreements for only Wireless were included in the information packet
5 provided to prospective WTM investors. WEPS was the designated service company for processing
6 for all Wireless clients.

7 12. Although the offering documents for the CTM and WTM investment programs
8 describe options for different levels of managing the equipment, in practice, all investors selected
9 the full-service option, which offered a revenue-sharing feature and a buy-back provision. Under
10 the full-service option, investors have no responsibilities with respect to the operation of their
11 equipment beyond signing the service contracts, no financial obligations apart from the initial
12 payment to purchase the units, no continuing financial obligation in the operation of their
13 equipment, and no liability for any expenses or costs related to the operation of the equipment.
14 Some of the services offered to investors, including processing and “transaction handling,”
15 require special expertise. The transaction handling was to be performed by WCP, Inc. for the
16 CTMs and Wireless for the WTMs. The processing of transactions was to be performed by WEPS
17 for the WTMs. Both functions were key to generating a profit for investors.

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

21 14. From in or around January 1999 until February 2000, when the California DOC
22 issued its Desist and Refrain Orders against World Cash Respondents and some of its principals,
23 World Cash Respondents offered and sold the CTM business opportunities within and from
24 Arizona to approximately 100 investors who invested approximately \$4,376,300. The minimum
25 investment, which was \$7,000 for two CTMs at \$3,500 each, increased in or around October
26 1999 to \$9,000 for two CTMs at \$4,500 each, for a five-year term.

1 15. In late 1999, when the California DOC was investigating World Cash Respondents,
2 Mark Alan Melkowski (“Melkowski”) and Gerald B. Johnson (“Johnson”) were involved in one or
3 more meetings with principals or owners and marketers of World Cash Respondents, in Fresno,
4 California, to plan the service operations that would be promoted to investors for management of the
5 WTMs. Melkowski was named as President and Director of WEPS in incorporating documents
6 filed in Nevada in August 1999. Johnson was named as President and Director of Wireless in
7 incorporating documents filed in Arizona in early 2000. The operating headquarters for both
8 Wireless and WEPS is, and was at all pertinent times, the same address in Mesa, Arizona.

9 16. In or around January 2000, Baudour, who was at the time Director of Operations for
10 WCP, Inc., was appointed Vice President of Wireless, to work with Johnson to set up operations to
11 service the WTMs. In June 2000, when Johnson was terminated, Baudour was designated as
12 President of both Wireless and WEPS, although Melkowski is reflected as WEPS’ President on
13 WEPS’ corporate filing until October 19, 2000.

14 17. From in or around January 2000, Mobile Cash Respondents offered and sold
15 WTM business opportunities within and from Arizona. By mid-October 2000, approximately
16 104 investors throughout several states had purchased 1645 units together with Services
17 Agreements, totaling approximately \$8,225,000 in investment funds. The minimum investment
18 was \$10,000 for two WTMs at \$5,000 each, for a five-year term.

19 18. CTMs and WTMs were sold to retired and unsophisticated investors who had no
20 experience in or knowledge of cash ticket machine or wireless terminal machine businesses. None
21 of the investors ever intended to take possession of, or to manage, the equipment. Most investors do
22 not even know where their equipment is located. Through written and oral statements, Mobile Cash
23 Respondents and World Cash Respondents and their sales agents led investors to believe that these
24 were passive investments.

25 19. According to written materials and oral statements made by sales agents, investors
26 in the CTM and WTM programs are supposed to receive a) minimum monthly revenue

1 equivalent to 13% per annum of their original investment, generated from the operation of their
2 equipment; b) a share of the monthly net profit on each machine in excess of the base monthly
3 payment; c) a full return of their investment at the end of the five-year term because they have a
4 right to sell the equipment back to the service company for the original amount of the investment,
5 or to renew the investment; and d) if the monthly revenue from the operation of the machines
6 falls below the base payment, the right to request that the service companies repurchase the
7 equipment for the original sales price, or relocate the equipment to another location with the
8 potential for a higher profit from sharing in increased revenue.

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

22 21. Under the CTM Services Agreement, WCP, Inc., who was agent for the investor,
23 represented to investors that their monthly distribution payments would be based upon the
24 equipment revenues collected by the service company. Under the full-service agreement, investors
25 were to share in any revenues that exceeded their base monthly distributions. There was no
26 provision for any routine or periodic accounting as to the actual revenue generated from the

1 operation of their CTMs. WCP, Inc. paid all CTM investors monthly “revenue” distribution
2 checks until around March 2000. By June 2000, all payments stopped.

3 22. Similar to the CTM Equipment Sales Agreement, under the WTM Equipment
4 Sales Agreement, MCS represented to investors that the Purchaser was entitled to terminate the
5 agreement if the Closing of the transactions contemplated by the Equipment Sales Agreement did
6 not occur within the applicable time period set forth in the Agreement, which was 90 days. The
7 transactions contemplated by the Equipment Sales Agreement included delivery of the WTMs.
8 However, the Agreement provided that “Closing” would be deemed to have occurred within 90 days
9 of the date of sale and clearing of the collected funds. WTM investors were not informed that their
10 equipment was not delivered or placed in service within the time period for terminating their
11 contracts.

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

26 . . .

1 **B. Sales and Marketing Network for the “Business Opportunities.”**

2 24. World Cash Respondents recruited and trained a network of Sales Representatives,
3 referred to as “agents.” World Cash Respondents provided the salesmen with all necessary
4 paperwork, trained the agents for selling the business opportunities, and paid them commissions
5 based upon the amount of money invested through their sales and marketing efforts. After these
6 Respondents stopped selling World Cash Respondents’ CTM business opportunity program, some
7 of the same agents started selling Mobile Cash Respondents’ WTM business opportunity program.

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

14 26. In connection with the offer or sale of securities within or from Arizona, Mobile
15 Cash Respondents and Baudour and World Cash Respondents directly or indirectly: (i) employed a
16 device, scheme or artifice to defraud; (ii) made untrue statements of material fact or omitted to state
17 material facts which were necessary in order to make the statements made not misleading in light of
18 the circumstances under which they were made; or (iii) engaged in transactions, practices or courses
19 of business which operated or would operate as a fraud or deceit upon offerees and investors.
20 Respondents' conduct includes, but is not limited to, the following:

21 a) Misrepresenting the safety of these investments and failing to disclose risks,
22 including the potential loss of investment funds.

23 b) World Cash Respondents misrepresented to CTM investors that their equipment
24 would be delivered within 30 or 60 days of their completed contract.

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1 c) World Cash Respondents failed to disclose that many of the CTMs that were
2 purchased were never delivered or placed in service

3 d) World Cash Respondents represented that CTM investors were to receive
4 monthly distributions from the revenue generated from the operation of their CTMs. In fact,
5 however, monthly distributions were being paid to many investors for CTMs that were never
6 placed in service for them.

7 e) Mobile Cash Respondents and Baudour represented that WTM investors were to
8 receive monthly distributions from the revenue generated from the operation of their WTMs.
9 In fact, however, from April through January 2000, Wireless distributed monthly payments
10 to investors although no equipment was placed in service for any investors.

11 f) Mobile Cash Respondents and Baudour failed to disclose to WTM investors that
12 no WTMs had been placed in service. Mobile Cash Respondents continued to conceal this
13 fact by paying investors their monthly "revenue" distributions with funds borrowed from
14 Mobile Cash Respondents.

15 g) Mobile Cash Respondents and Baudour failed to disclose to new WTM investors
16 that monthly distributions from Wireless to investors were paid out of funds provided by
17 MCS.

18 h) Mobile Cash Respondents and Baudour failed to disclose that Wireless and
19 WEPS, the service and processing companies that were supposed to manage the WTMs to
20 generate revenue for the distributions to investors, were incurring debt to MCS, which
21 totaled over \$500,000 by October 2000, and the companies had not even begun service
22 operations.

23 i) WCP, LLC failed to disclose that the sales commissions that they were paying, or
24 receiving, from the CTM investments was 16-19% of the investors' funds.

25 j) Mobile Cash Respondents failed to disclose that the sales commissions that they
26 were paying, or receiving, from the WTM investments was 20% of the investors' funds.

1 k) World Cash Respondents and Mobile Cash Respondents and Baudour failed to
2 disclose any financial or background information about the issuers or their principals.

3 l) Mobile Cash Respondents represented to their sales agents and investors that
4 Mobile Cash Respondents' WTM business opportunities were not securities and Mobile
5 Cash Respondents and Baudour failed to disclose:

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

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

20 **II.**

21 **CONCLUSIONS OF LAW**

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

24 2. WCP, LLC, WCP, Inc., MCS, Wireless, and WEPS offered or sold securities within
25 or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

1 Commission in the amount of \$7,766,529, plus interest at the rate of 10% per annum from the date
2 of each investment, until paid in full. This amount represents the total principal investment of
3 \$8,225,000, reduced by \$458,471.00 paid in distributions to date. If additional WTM investors are
4 later discovered, Mobile Cash Respondents and Baudour shall pay claims of those investors under
5 the terms of this Order. Payment shall be made by cashier's check or money order payable to the
6 "State of Arizona" to be placed in an interest-bearing account maintained and controlled by the
7 Arizona Attorney General. The Arizona Attorney General shall disburse the funds on a pro rata
8 basis to investors. Any funds that the Attorney General is unable to disburse shall revert to the
9 state of Arizona.

10 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that World Cash Respondents
11 shall, jointly and severally with any other Respondents who are subject to Orders of the
12 Commission, pay restitution to CTM investors shown on the records of the Commission in the
13 amount of \$4,376,300, plus interest at the rate of 10% per annum from the date of each investment
14 until paid in full. If additional CTM investors are later discovered, World Cash Respondents shall
15 pay claims of those investors under the terms of this Order. Payment shall be made by cashier's
16 check or money order payable to the "State of Arizona" to be placed in an interest-bearing account
17 maintained and controlled by the Arizona Attorney General. The Arizona Attorney General shall
18 disburse the funds on a pro rata basis to investors. Any funds that the Attorney General is unable
19 to disburse shall revert to the state of Arizona.

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

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

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

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION
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7
8 CHAIRMAN

COMMISSIONER

COMMISSIONER

9 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
10 Executive Secretary of the Arizona Corporation
11 Commission, have hereunto set my hand and caused the
12 official seal of the Commission to be affixed at the
13 Capitol, in the City of Phoenix, this _____ day of
14 _____, 2001.

15 _____
16 BRIAN C. McNEIL
17 Executive Secretary

18 DISSENT

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

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CONSENT TO ENTRY OF ORDER

1
2 1. Respondent Mobile Cash Systems, L.L.C. (“MCS”), a Nevada limited liability
3 company, admits the jurisdiction of the Commission over the subject matter of this proceeding.
4 Mobile Cash acknowledges that it has been fully advised of its right to a hearing to present
5 evidence and call witnesses and MCS knowingly and voluntarily waives any and all rights to a
6 hearing before the Commission and all other rights otherwise available under Article 11 of the
7 Securities Act and Title 14 of the Arizona Administrative Code. MCS acknowledges that this
8 Order To Cease And Desist, Order for Administrative Penalties and Consent to Same (“Order”)
9 constitutes a valid final order of the Commission.

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

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

15 4. MCS acknowledges that it has been represented by counsel in this matter, it has
16 reviewed this Order with its attorney and understands all terms it contains.

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

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

1 7. MCS agrees to provide disclosure to all clients who purchased wireless terminal
2 machines and service agreements, including the date that their machines were placed in operation,
3 the actual revenue generated by their machines, and a copy of this Order and Consent, by certified
4 mail, within thirty (30) days of the entry of this Order, and to provide the Securities Division with a
5 copy of the disclosure letter and the returned proof of service for each mailing.

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

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

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

15 11. MCS agrees that it will not apply to the state of Arizona for registration as a
16 securities dealer or salesman or for licensure as an investment adviser or investment adviser
17 representative.

18 12. MCS agrees that it will not offer or sell, directly or indirectly, securities or provide
19 investment advisory services, within or from Arizona.

20 13. MCS agrees that it will not exercise any control over any entity or person that offers
21 or sells, directly or indirectly, securities or provides investment advisory services, within or from
22 Arizona.

23 14. This agreement and Order shall be binding upon MCS's officers, directors, agents,
24 employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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CONSENT TO ENTRY OF ORDER

1
2 1. Respondent World Wireless Solutions, Inc. (“Wireless”), an Arizona corporation
3 admits the jurisdiction of the Commission over the subject matter of this proceeding. Wireless
4 acknowledges that it has been fully advised of its right to a hearing to present evidence and call
5 witnesses and Wireless knowingly and voluntarily waives any and all rights to a hearing before the
6 Commission and all other rights otherwise available under Article 11 of the Securities Act and Title
7 14 of the Arizona Administrative Code. Wireless acknowledges that this Order To Cease And
8 Desist, Order for Administrative Penalties and Consent to Same (“Order”) constitutes a valid final
9 order of the Commission.

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

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

15 4. Wireless acknowledges that it has been represented by counsel in this matter, it has
16 reviewed this Order with its attorney and understands all terms it contains.

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

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

1 7. Wireless agrees to provide disclosure to all clients who purchased wireless terminal
2 machines and service agreements, including the date that their machines were placed in operation,
3 the actual revenue generated by their machines, and a copy of this Order and Consent, by certified
4 mail, within thirty (30) days of the entry of this Order, and to provide the Securities Division with a
5 copy of the disclosure letter and the returned proof of service for each mailing.

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

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

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

15 11. Wireless agrees that it will not apply to the state of Arizona for registration as a
16 securities dealer or salesman or for licensure as an investment adviser or investment adviser
17 representative.

18 12. Wireless agrees that it will not offer or sell, directly or indirectly, securities or
19 provide investment advisory services, within or from Arizona.

20 13. Wireless agrees that it will not exercise any control over any entity or person that
21 offers or sells, directly or indirectly, securities or provides investment advisory services, within or
22 from Arizona.

23 14. This agreement and Order shall be binding upon Wireless's officers, directors,
24 agents, employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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CONSENT TO ENTRY OF ORDER

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2 1. Respondent World Electronic Payment Solutions, Inc. d/b/a WEPS (“WEPS”), a
3 Nevada corporation, admits the jurisdiction of the Commission over the subject matter of this
4 proceeding. WEPS acknowledges that it has been fully advised of its right to a hearing to present
5 evidence and call witnesses and WEPS knowingly and voluntarily waives any and all rights to a
6 hearing before the Commission and all other rights otherwise available under Article 11 of the
7 Securities Act and Title 14 of the Arizona Administrative Code. WEPS acknowledges that this
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10 2. WEPS knowingly and voluntarily waives any right it may have under Article 12 of
11 the Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief
12 resulting from the entry of this Order.

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

15 4. WEPS acknowledges that it has been represented by counsel in this matter, it has
16 reviewed this Order with its attorney and understands all terms it contains.

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

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

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2 Commission, WEPS understands that this Order does not preclude the Commission from instituting
3 other administrative proceedings based on violations that are not addressed by this Order.

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6 related to the matters addressed by this Order.

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8 the state of Arizona or its subdivisions from instituting administrative, civil or criminal proceedings
9 that may be related to matters addressed by this Order.

10 10. WEPS agrees that it will not apply to the state of Arizona for registration as a
11 securities dealer or salesman or for licensure as an investment adviser or investment adviser
12 representative.

13 11. WEPS agrees that it will not offer or sell, directly or indirectly, securities or provide
14 investment advisory services, within or from Arizona.

15 12. WEPS agrees that it will not exercise any control over any entity or person that
16 offers or sells, directly or indirectly, securities or provides investment advisory services, within or
17 from Arizona.

18 13. This agreement and Order shall be binding upon WEPS' officers, directors, agents,
19 employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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

23 15. WEPS understands that default shall render it liable to the Commission for its costs
24 of collection and interest at the maximum legal rate.

25 16. WEPS agrees that it will continue to cooperate with the Securities Division
26 including, but not limited to, providing complete and accurate testimony at any hearing in this matter

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

3 17. WEPS understands that this Order does not relieve WEPS from any obligations or
4 responsibilities owed to its clients or investors.

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

8 19. Kimber Lea Baudour represents that she is President of WEPS and has been
9 authorized by WEPS to enter into this Order for and on behalf of it.

10
11 WORLD ELECTRONIC PAYMENT SOLUTIONS, INC. d/b/a/ WEPS

12
13 _____
14 By: Kimber Lea Baudour, President

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

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17 _____
18 NOTARY PUBLIC

19 My Commission Expires:

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CONSENT TO ENTRY OF ORDER

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2 1. Respondent Kimber Lea Baudour (“Baudour”), a married woman, admits the
3 jurisdiction of the Commission over the subject matter of this proceeding. Baudour acknowledges
4 that she has been fully advised of her right to a hearing to present evidence and call witnesses and
5 Baudour knowingly and voluntarily waives any and all rights to a hearing before the Commission
6 and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the
7 Arizona Administrative Code. Baudour acknowledges that this Order To Cease And Desist, Order
8 for Administrative Penalties and Consent to Same (“Order”) constitutes a valid final order of the
9 Commission.

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

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

15 4. Baudour acknowledges that she has been represented by counsel in this matter, she
16 has reviewed this Order with her attorney and understands all terms it contains.

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

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

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

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

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

11 10. Baudour agrees that she will not apply to the state of Arizona for registration as a
12 securities dealer or salesman or for licensure as an investment adviser or investment adviser
13 representative.

14 11. Baudour agrees that she will not offer or sell, directly or indirectly, securities or
15 provide investment advisory services, within or from Arizona.

16 12. Baudour agrees that she will not exercise any control over any entity or person that
17 offers or sells, directly or indirectly, securities or provides investment advisory services, within or
18 from Arizona.

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

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

24 15. Baudour understands that default shall render her liable to the Commission for its
25 costs of collection and interest at the maximum legal rate.

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

KIMBER LEA BAUDOUR

SUBSCRIBED AND SWORN TO BEFORE me this ____ day of _____, 2001.

NOTARY PUBLIC

My Commission Expires:

CONSENT TO ENTRY OF ORDER

1
2 1. Respondent World Cash Providers, L.L.C. (“WCP, LLC”), a Nevada limited liability
3 company, admits the jurisdiction of the Commission over the subject matter of this proceeding.
4 WCS, LLC acknowledges that it has been fully advised of its right to a hearing to present evidence
5 and call witnesses and WCS, LLC knowingly and voluntarily waives any and all rights to a hearing
6 before the Commission and all other rights otherwise available under Article 11 of the Securities Act
7 and Title 14 of the Arizona Administrative Code. WCP, LLC acknowledges that this Order To
8 Cease And Desist, Order for Administrative Penalties and Consent to Same (“Order”) constitutes a
9 valid final order of the Commission.

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

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

15 4. WCP, LLC acknowledges that it has been represented by counsel in this matter, it
16 has reviewed this Order with its attorney and understands all terms it contains.

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

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

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

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

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

10 10. WCP, LLC agrees that it will not apply to the state of Arizona for registration as a
11 securities dealer or salesman or for licensure as an investment adviser or investment adviser.

12 11. WCP, LLC agrees that it will not offer or sell, directly or indirectly, securities or
13 provide investment advisory services, within or from Arizona.

14 12. WCP, LLC agrees that it will not exercise any control over any entity or person that
15 offers or sells, directly or indirectly, securities or provides investment advisory services, within or
16 from Arizona.

17 13. This agreement and Order shall be binding upon WCP, LLC's officers, directors,
18 agents, employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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

22 15. WCP, LLC understands that default shall render it liable to the Commission for its
23 costs of collection and interest at the maximum legal rate.

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

17. WCP, LLC understands that this Order does not relieve WCP, LLC from any obligations or responsibilities owed to its clients or investors.

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

19. L. Robert Martin represents that he is Managing Member of WCP, LLC and has been authorized by WCP, LLC to enter into this Order for and on behalf of it.

WORLD CASH PROVIDERS, L.L.C.

By: L. Robert Martin, Managing Member

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

NOTARY PUBLIC

My Commission Expires:

CONSENT TO ENTRY OF ORDER

1
2 1. Respondent World Cash Providers, Inc. (“WCP, Inc.”), a California corporation,
3 admits the jurisdiction of the Commission over the subject matter of this proceeding. WCP, Inc.
4 acknowledges that it has been fully advised of its right to a hearing to present evidence and call
5 witnesses and WCP, Inc. knowingly and voluntarily waives any and all rights to a hearing before the
6 Commission and all other rights otherwise available under Article 11 of the Securities Act and Title
7 14 of the Arizona Administrative Code. WCP, Inc. acknowledges that this Order To Cease And
8 Desist, Order for Administrative Penalties and Consent to Same (“Order”) constitutes a valid final
9 order of the Commission.

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

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

15 4. WCP, Inc. acknowledges that it has been represented by counsel in this matter, it has
16 reviewed this Order with its attorney and understands all terms it contains.

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

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

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

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

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

10 10. WCP, Inc. agrees that it will not apply to the state of Arizona for registration as a
11 securities dealer or salesman or for licensure as an investment adviser or investment adviser
12 representative.

13 11. WCP, Inc. agrees that it will not offer or sell, directly or indirectly, securities or
14 provide investment advisory services, within or from Arizona.

15 12. WCP, Inc. agrees that it will not exercise any control over any entity or person that
16 offers or sells, directly or indirectly, securities or provides investment advisory services, within or
17 from Arizona.

18 13. This agreement and Order shall be binding upon WCP, Inc.'s officers, directors,
19 agents, employees, assigns, representatives, beneficiaries or other successors in interest of any kind.

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

23 15. WCP, Inc. understands that default shall render it liable to the Commission for its
24 costs of collection and interest at the maximum legal rate.

25 16. WCP, Inc. agrees that it will continue to cooperate with the Securities Division
26 including, but not limited to, providing complete and accurate testimony at any hearing in this matter

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

3 17. WCP, Inc. understands that this Order does not relieve WCP, Inc. from any
4 obligations or responsibilities owed to its clients or investors.

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

8 19. L. Robert Martin represents that he is President of WCP, Inc. and has been
9 authorized by WCP, Inc. to enter into this Order for and on behalf of it. L. Robert Martin
10 represents that he is authorized by law to enter into this Order for and on behalf of WCP, Inc.

11 WORLD CASH PROVIDERS, INC.

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15 By: L. Robert Martin, President

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

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18 _____
19 NOTARY PUBLIC

20 My Commission Expires:
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