



COMMISSION NEWS

ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

TO: EDITORS, NEWS DIRECTORS
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SELLING UNREGISTERED SECURITIES RESULTS IN PENALTIES

PHOENIX – The Arizona Corporation Commission revoked former Phoenix resident Deborah Suann Angus' registration as a securities salesperson. She is required to cease and desist from violations of the Securities Act of Arizona and was ordered to pay a penalty of \$12,500.

From February 1997 until February 1999, Ms. Angus was registered to sell securities through Princor Financial Services Corporation. In October 1997, Angus began working as a sales representative at Hanover Financial Corporation in Scottsdale, Arizona. Hanover was purportedly an investment-banking firm that raised capital to finance businesses, particularly start-up businesses. Angus sold investments in two of these Hanover related businesses, Executive Investment Group, L.L.C. and Keystone Investment Management Group, Inc., without authorization from her dealer, Princor Financial Services Corporation.

From October 1997 to May 1998, Angus sold securities from Executive to sixteen investors residing in Arizona and other states. These investors invested \$424,418 through Ms. Angus. The securities available through Executive were the subject of a prior Commission Order issued in August 1998. In the August 1998 Order, the Commission found that Executive's securities were not registered and not exempt from registration in Arizona. Angus still offered these investments and failed to record the transactions on the books of her dealer as required by Arizona securities laws.

Between May 1998 and July 1998, Ms. Angus sold Keystone securities to two investors in the total amount of \$100,000. Ms. Angus again failed to record these securities transactions with her dealer.

The Commission has now ordered her to cease and desist from further violations of the Securities Act of Arizona. She is required to pay an administrative penalty of \$12,500 for selling unregistered securities and for conducting securities transactions without recording them on her dealer's books, a forbidden practice known as "selling away."

Mark Sendrow, director of the Arizona Corporation Commission's Securities Division, reminds investors to do their own due diligence before they invest. Potential investors are encouraged to check to see if the securities they are interested in are registered by contacting the Securities Division at (602) 542-4242, toll free at 1-877-811-3878, or by visiting the Division web site at www.ccsd.cc.state.az.us.

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