

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Arizona Capital Group,)
Inc. and Samuel Pittman)
Respondents)

Consent Agreement

.....
The North Dakota Securities Commissioner has advised the Respondents that he is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, Arizona Capital Group, Inc., filed an application to become registered as a dealer in North Dakota on May 19, 1999, pursuant to NDCC §10-04-10.
2. The Commissioner conducted an investigation into the Respondent's application. Respondents also provided information to the Commissioner regarding this matter. Based on the Commissioner's investigation and the information provided by the Respondents, the North Dakota Securities Commissioner has determined that:
 - a) Respondent, Arizona Capital Group, Inc., engaged in two securities transactions in North Dakota and with North Dakota residents as an unregistered dealer in violation of NDCC §10-04-10.
 - b) Respondent, Samuel Pittman, engaged in two securities transactions in North Dakota and with North Dakota residents as an unregistered agent in violation of NDCC §10-04-10.

- c) Respondent, Arizona Capital Group, Inc., failed to properly supervise its agent, Samuel Pittman, by allowing unregistered sales activity to occur in North Dakota.
3. Pursuant to NDCC §10-04-10, no dealer or agent may offer and/or sell securities in North Dakota or to North Dakota residents unless that person is registered as a dealer or agent.
 4. Pursuant to NDCC §10-04-16, when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may, in his discretion, issue any order and collect civil penalties against any person found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$10,000 for each violation.
 5. The information described above is sufficient grounds for the Commissioner to assess civil penalties against Arizona Capital Group, Inc. and Samuel Pittman pursuant to NDCC §10-04-16.
 6. Respondents acknowledge their right to a hearing on this matter and, upon advise of counsel, waive their right to a hearing in this matter and to present arguments to the Commissioner.
 7. Respondents, without admitting or denying the Commissioner's findings put forth above, agree to resolve this matter with the Office of the Securities Commissioner by this agreement, and this is evidenced by its representative's signature below.

8. The following Agreement is necessary and appropriate in the public interest

NOW, THEREFORE, IT IS AGREED, THAT:

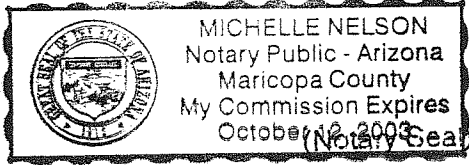
- 1. Respondents shall pay to the Office of the Securities Commissioner, upon execution of this agreement, a civil penalty of \$1,000.
- 2. Respondents shall make a rescission offer to the North Dakota resident who purchased securities through the violations discussed above. The rescission offer must be made within ten (10) days of the execution of this agreement, and must be made pursuant to N.D.C.C. §10-04-17. Respondents shall provide the Commissioner with evidence that the rescission offer was made, a statement of whether the rescission offer was accepted or rejected, and if accepted, evidence that the rescission was paid by the respondents. All such documents must be provided to the Commissioner within 60 days of the execution of this agreement.
- 3. Nothing set forth in this agreement shall be used to deny the pending dealer application of Arizona Capital Group, Inc.
- 4. This Agreement shall be effective upon signature of the Respondents and the Commissioner.

Signed this 17 day of January, 2001.

Arizona Capital Group, Inc
4110 N. Scottsdale Rd., Suite 370
Scottsdale, AZ 85251

By: Candy Wil
Its: CEO

Subscribed and Sworn before me this 17 day of January, 2001.

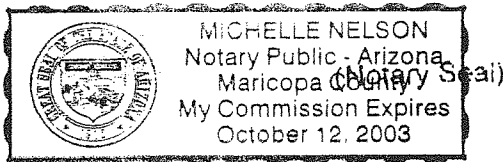


Michelle Nelson
Print name: Michelle Nelson
Notary Public, My Commission expires:
State: Arizona County: Maricopa

Signed this 17 day of January, 2001:

Samuel Pittman
Samuel Pittman
Arizona Capital Group, Inc.
4110 N. Scottsdale Rd., Suite 370
Scottsdale, AZ 85251

Subscribed and Sworn before me this 17 day of January, 2001.



Michelle Nelson
Print name: Michelle Nelson
Notary Public, My Commission expires:
State: Arizona County: Maricopa

Signed and Sealed this 25th day of January, 2001.



Syver Vinje
Syver Vinje,
North Dakota Securities Commissioner
State Capitol-5th Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
Ph. # (701) 328-2900