

Quarterly Business Report

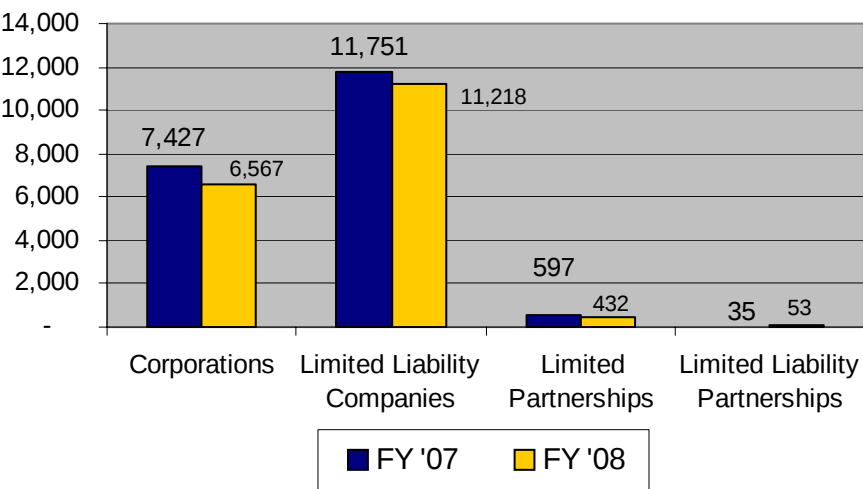
Volume 1, Issue 2

Second Quarter 2008

The instability of the economy, and our efforts to deal with that instability in both the public and private sectors, further emphasizes the need for current information that will affect our businesses and our day-to-day lives. It is with that need for information in mind that we compile the articles for our Quarterly Business Newsletter.

As always, our goal is transparency and accessibility, and I hope you will find that we're meeting that goal in each edition of this online newsletter. Thanks for taking the time to read through and find what I'm sure will be useful information for you and your business.

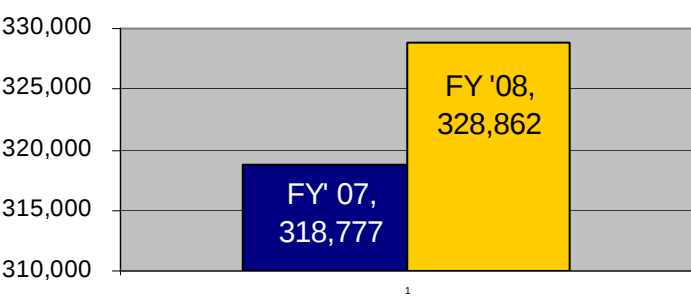
4th Quarter FY '08 New Entity Filings



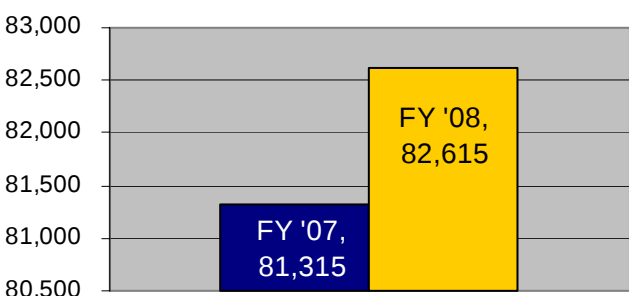

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View Past Editions [Here](#)

Fiscal Year 2008 Initial, Amended and Annual Lists Filed



4th Quarter Initial, Amended and Annual Lists Filed



Commercial Recordings

Update on Fraudulent Filing Regulations

Secretary of State Miller is working to strengthen the state's fraudulent filing laws, and allow the Secretary of State's office to make corrections to intentionally inaccurate corporate records.

On May 28, 2008, the Secretary of State held a hearing at which regulations were adopted to allow for the correction of a record which is forged or fraudulently altered; contains a false statement of a material fact; or, is filed in bad faith. The office is currently working with the Legislative Counsel Bureau to complete the process and finalize the new regulations. Completion of this reconciliation and the finalization of the complaint process are expected by late summer. Watch this news letter and the Secretary of State's website for updates.

Model Registered Agent Act Goes into Effect (MoRAA)

On July 1, 2008, our offices implemented the provisions of the Model Resident Agent Act, otherwise known as MoRAA. MoRAA changes many of the provisions of Nevada Law as they pertain to resident agents.

After many months of review and revision, our website, forms and processes have been modified to reflect the MoRAA changes. All references to the term "resident agent" have been replaced with "registered agent." All forms with an optional mailing address field for the resident agent now require a Nevada address for both the address for service of process and the optional mailing address. This is the first major procedural change the Commercial Recordings Division has seen in many years. It changes the way registered agent information is reported and administered and as such, there may be revisions to certain forms and procedures as we further refine the MoRAA process.

Registered agents electing to be commercial registered agents will be required to provide an e-mail address where monthly notifications may be received. Commercial registered agents will receive their monthly notifications electronically and will be able to generate preprinted lists. Noncommercial registered agents may also opt-in for this electronic notification service.

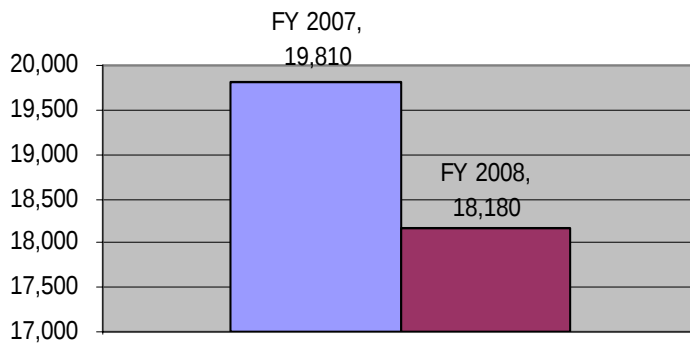
The response to the commercial registered agent filing has been better received than expected with 118 registered agents filing for commercial registered agent status (as of 7/28/2008).

Our offices will continue to process certain filings submitted on the old forms, provided that the forms comply with the statutory requirements for filing. However, we encourage use of the new forms as filings submitted on the old forms run the risk of being rejected and may be required to be resubmitted on the new forms.

These and other provisions of the Model Registered Agents Act may be found in Chapter 77 of the Nevada Revised Statutes.

Please watch our web site, www.nvsos.gov for more information and updates.

Quarterly New Entity Filings



Securities

Information Can Be the Key to Surviving Tough Financial Times *Links & Resources for Investors and Businesses*

Help Your Employees Avoid Early Retirement Scams

Two new publications from the Financial Industry Regulatory Authority (FINRA) are designed to help companies and their older workers protect themselves from early retirement scams.



- The resource for companies offers tips on how to evaluate the financial professionals involved in early retirement seminars and the seminar materials such as invitations, slides, handouts and scripts: [Help Your Employees Achieve Their Retirement Dream: Tips for Spotting Early Retirement Scams](#).
- A second resource alerts employees to the pitfalls of early retirement schemes: [Early Retirement Seminars 101: Smart Tips for Spotting Retirement Scams](#)

Is Your Company Thinking About Automating Its 401(k)



A joint effort of AARP, FINRA and the Retirement Security Project (RSP) is aimed at helping Americans save for a secure financial future through automatic 401(k) features such as automatic enrollment and automatic escalation. The Retirement Made Simpler (RMS) initiative provides employers tools, research and tips to help companies better understand the process, including best practices when it comes to implementing automatic features:

- Visit www.retirementmadesimpler.org
- Read [The Business Case for Automatic Enrollment](#)

Weathering Tough Financial Times—The Long-term Costs of Quick Cash

Rising costs of food and fuel, declines and volatility in the housing and financial markets, and an ever-tightening credit crunch have gathered to form a perfect storm that could lead some Americans to make poor financial choices.

In tough financial times, many investors feel pinched for cash—and some may search for different, often risky ways to make ends meet. Troubling trends include investors leveraging or prematurely depleting their retirement savings, trading in their insurance policies in transactions known as "life settlements," and tapping their home equity through reverse mortgages. Read this helpful [Investor Alert](#)

Check Out Your Investment Professional

Smart investors check the credentials of their investment professionals before doing business with them. Use these resources to check whether investment professionals are properly licensed and to look into their work history, educational background, professional designations and even disciplinary history.

- Nevada residents may contact the [Nevada Secretary of State Securities Division](#) to determine whether a securities firm or individual is licensed to do business in Nevada by calling 702-486-2440 (Las Vegas) or 775-688-1855 (Reno).
- [FINRA Broker Check](#): Find registration and other information on individual brokers, securities firms, and investment adviser firms. Investors may also call 800-758-6440.

Securities Division Regulatory Actions

It is the responsibility of the Secretary of State to enforce securities laws in Nevada including the areas of fraud, and the education of the public on securities-related matters. Aggressive enforcement of Nevada's securities regulations includes investigation by Secretary of State officers, and when necessary subsequent prosecution by the Office of the Attorney General. The following investigations and actions were completed during the period of January 1, 2008 through June 30, 2008:

Criminal Enforcement Cases Investigated by Securities Division and Prosecuted by Attorney General:

State of Nevada v. Nancy Nash d/b/a Palace Worldwide Enterprises: Defendant sentenced to two consecutive terms in the Nevada State Prison for 4-10 years for operating a real estate investment scheme. Additionally, Nash was ordered to pay \$2.8 million in restitution.

State of Nevada v. Stephen Craig Hadaway d/b/a O.P.M. Asset Management: Defendant extradited from Chile and plead guilty to one count of Securities Fraud and 1 count of Unlicensed Securities Dealer. He was additionally ordered to pay \$46,650.00 in restitution by January 13, 2009, and \$1,500.00 investigative costs. Sentencing is pending completion of payment of restitution

State of Nevada v. Jeremy Stamper d/b/a Federal Savings LLC: After paying \$3.5 million in restitution, Defendant plead guilty to Unlicensed Sales Activity and was given a suspended prison sentence and placed on probation for a period not to exceed five years, as well as fined \$10,000.00.

Miko Maserati d/b/a Nevada Sun LLC: Defendant plead guilty to Theft and was sentenced to a suspended sentence of 6 years with probation not to exceed five years and a \$4,500.00 fine, after paying \$35,000.00 in restitution.

Administrative Enforcement Actions Letters of Acceptance, Waiver & Consent:

Financial Investment Consultants, LLC – Scott Bryce : Payment of civil penalty in the amount of \$1,500.00

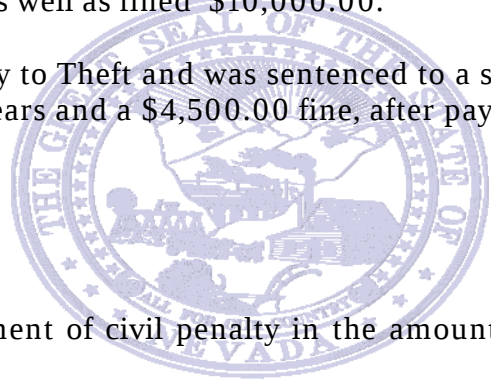
ITS Asset Management, LP.: Failure to license Investment Advisor Representative. Payment of civil penalty in the amount of \$47,500.00.

Consent Agreements and Orders:

Fortune Financial Services Inc.: Unlicensed branch office. Civil penalty paid in the amount of \$11,250.00.

Morgan Stanley DW Inc.: Self-reported discovery of transactions which violated securities registration requirements. Payment of civil penalty in the amount of \$76,662.00.

UBS Financial Services Inc.: Alleged failure to supervise in violation of New York Stock Exchange Rule 405(2). Reimbursement of Division's investigative costs and donation to Investor Protection Trust.



U.S. Gold Mining Co. – Michael Smith & Craig Stephens: Unlicensed and unregistered sales of investments in the form of “units” in a Limited Partnership. Order to cease and desist unlicensed and unregistered activities and payment of civil penalty in the amount of \$5,000.00.

Cease and Desist Orders:

Earthly Mineral Solutions, Inc. – Roy Higgs, Frank Schwartz and Ricky Lawton: Permanent Order to Cease and Desist sale of unregistered securities in the form of fractionalized undivided interests in mining claims.

Gold-Quest International; Tri-Fund, Inc.; David Greene; John Jenkins; and Michael McGee: Permanent Order to Cease and Desist the Sale of Unregistered securities in the form of investment contracts, by unlicensed sales representatives and/or agents of the issuer.

Robert “Bob” “Neil” Keklewicz d/b/a Global Aviation Fuel Services: Permanent Order to Cease and Desist sale of unregistered securities in the form of investment contracts by unlicensed broker dealer, sales representative and/or agent of the issuer.

Sharpe Enterprises, LLC.; Tom Sharpe; and Susan Sharpe: Permanent Order to Cease and Desist sale of unregistered securities in the form of investment contracts and/or limited partnership interests by unlicensed broker dealers, sales representatives and/or agents of the issuer.

Special Supervision Licensing Agreements:

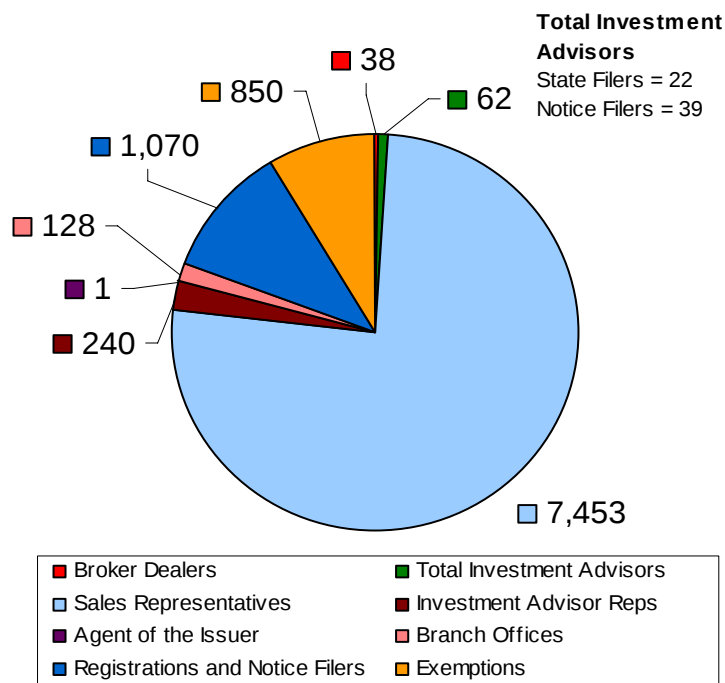
SunStreet Securities – Dennis Weddle II : Mr. Weddle’s licensing approved contingent upon special supervisory requirements to be implemented by the broker-dealer.

Summary Orders:

Bradley Vercnocke: Summary Order Denying licensing as Sales Representative. Summary Order extended pending Respondent’s request for hearing.

Robert Tretiak and Retirement Capital Centers, Inc.: Summary Order denying licensing as Investment Adviser Representative and Investment Adviser, respectively.

Licensing & Registration 1st Quarter 2008



Notaries

NRS 240.143

The certificate of appointment, journal and notary stamp are considered the personal property of the notary, according to Nevada Notary law. It is unlawful for anyone to be in possession of the notary stamp, journal and certificate of appointment or to withhold such items from the notary public even if you are the one to use your money to purchase these items

UPCOMING NOTARY CLASSES:

August 27, 2 –6 p.m.:
Las Vegas

August 28, 8 a.m.—noon:
Las Vegas

September 24, 8 a.m.-noon:
Las Vegas

More information on times and locations is available on the Secretary of State website www.nvsos.gov

Online Services

Online Services Available for Corporations

Customers can file lists of officers, obtain certificates of good standing, reserve an entity name, file any UCC document, search business entity data and download reports by visiting our website at www.nvsos.gov.

Status: Initial, Annual or Amended List of Officers, Managers and/or Managing Members, General Partners, etc. list prior to your annual filing, please remember that any list filed three months before the list is due will be considered an Amended List, with the Annual List still due by the due date.

Copies: The online certificate does not include any amendments, just the date of incorporation and the entity's good standing status.

UCC: All UCC forms may be submitted and processed online system including UCC-1, 3 and 5 filings, UCC-11 searches with or without copies and certified copies of any UCC document.

Certified Copies Requests: certified copies are automatically sent to our office via an email address directly from the web to be stamped, crimped and sent back to the customer by either regular mail or Federal Express.

Customers can also use the SoS Business Entity Search page to view basic information on entities on file. Within the Search page, there is a Fee Calculator to assist customers to calculate any fees needed to file a list or to bring their entity back into good standing

You may also obtain data from the Secretary of State's online services data reporting system. This service allows customers to receive data reports based upon numerous criteria.

Voter Registration Tool Kit For Businesses Offered by Secretary of State

Nevada's Advisory Committee on Participatory Democracy Encourages Businesses to Encourage Employees to be Active, Informed Voters

An online toolkit to help businesses conduct employee voter registration drives; provide voting resources; and encourage employees to become poll workers is now available through the office of Nevada Secretary of State Ross Miller at

www.silverstate08.com.

"The Voter Registration Toolkit is designed to facilitate businesses' communication with employees regarding the importance of registering and voting," said Secretary Miller. "This is exactly the kind of leadership we want from the Advisory Committee for Participatory Democracy (ACPD). The toolkit includes tools to spread the word among employees on why they should be registered and vote, how to do so, and how to be a responsible, informed voter. We have article templates for company newsletters, flyers on voting requirements and other tools and resources, all

available on our website."

"Many businesses recognize that they have not just an opportunity but a civic obligation to encourage employees to participate in the democratic process," said Rob Elliot, chairman of the ACPD. "This new toolkit gives them everything they need to do so."

The Voter Registration Toolkit was created in conjunction with the ACPD and includes:

- A "how to" on conducting an employee registration drive
- A list of resources by county for obtaining additional information on registering and voting
- A guide to voting basics including requirements for registration and how to use mail-in registration
- A list of deadlines for registration and other important dates

Information on how to become a poll worker or volunteer.

The ACPD was first established in 1997 by the Legislature under the office of the Department of Cultural Affairs. The ACPD consists of 10 members including the Secretary of State or his designee and nine other members appointed by the Secretary of State. The Committee's purpose is to assist the Secretary of State in identifying and proposing programs that promote citizen participation in governance, establishing a Jean Ford Democracy Award and working with partner organizations at the local, state and national level to increase voter participation. For more information on the ACPD, visit www.nvsos.gov.



Sign Up for the Please Don't Call List

The Secretary of State's **Please Don't Call** list gives Nevada voters the opportunity to tell political campaigns that they do not want to receive campaign telephone calls. To enroll on the **Please Don't Call** list, Nevada voters can visit www.silverstate08.com, log in with the requested information, and click on the search button. When their registration information appears, there will be a **Please Don't Call** box for them to check.

The **Please Don't Call** registrants will be noted on the Secretary of State's statewide voter registration list, which is frequently used by campaigns to target registered voters. Other services available through **My Voter File** include updated information on individuals' registration status, voting history, and polling location. All information provided through **My Voter File** is done so in a secure and confidential manner.



File with the Lockbox TODAY!

The **Living Will Lockbox** is a secure, virtual lock box in which Nevadans can file certain directives, including living wills, powers of attorney and "do not resuscitate" (DNR) orders for access by designated health care professionals and family when medical treatment decisions must be made. Established by the 2007 Nevada State Legislature, the Living Will Lockbox was developed and will be maintained by the office of Secretary of State Ross Miller. It's free—file your living will or associated documents with www.livingwilllockbox.com.



Important Election Dates

July 26 -Aug. 8
Early Voting

Aug. 12
Primary Election

Oct. 4
Deadline to Register to
Vote by Mail

Oct. 14
Deadline to Register to
Vote in Person

Oct. 18-31
Early Voting

Nov. 4
General Election