

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

Oklahoma Department of Securities
ex rel. Irving L. Faught, Administrator,

Plaintiff,

v.

Accelerated Benefits Corporation, a Florida
corporation, et al.,

Defendants.

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.

NOV 20 2002

Case No. CJ-99-2500

Judge Daniel L. Owens

PATRICIA PRESLEY, COURT CLERK
by Deputy

JOURNAL ENTRY

This matter comes on for hearing this 27th day of September, 2002, before the undersigned Judge of the District Court in and for Oklahoma County, State of Oklahoma, on Defendants' Motion to Enforce or, Alternatively Construe the Court's Order Appointing Conservator and Transferring Assets ("Defendants' Motion"). Conservator, Tom Moran, appeared in person and through counsel, Thomas Manning of the law firm Phillips McFall McCaffrey McVay & Murrah, P.C.. Defendants Accelerated Benefits Corporation ("ABC"), C. Keith LaMonda, American Title Company of Orlando ("ATCO") and David Piercefield (collectively "Defendants"), appeared by and through counsel, Dino Viera of the law firm, Fellers, Snider, Blankenship, Bailey and Tippens, P.C.. The Oklahoma Department of Securities, ex rel. Irving L. Faught, Administrator (the "Department") appears by and through its attorney, Patricia A. Labarthe. The Court, having reviewed all of the evidence offered, hearing argument of counsel, and being fully advised in the premises finds as follows:

(a) The Order Appointing Conservator and Transferring Asset dated February 6th, 2002 (the "Conservatorship Order") is clear and unambiguous;

(b) ABC participated in the drafting and agreed to the terms of the Conservatorship Order in lieu of restitution;

(c) Under the Conservatorship Order, ABC is obligated to pay all costs and expenses of the Conservatorship, including premium shortfalls, Conservator's fees and expenses, and attorney's fees, until seventy-five percent (75%) of the Conservatorship Assets, as defined by the Conservatorship Order, are transferred to the Conservator;

(d) To date there has been no determination that seventy-five percent (75%) of the Conservatorship Assets, as defined by the Conservatorship Order, have been transferred to the Conservator;

(e) The parties have agreed have beginning October 1, 2002, the Conservator will be responsible for the compensation of ABC employees utilized by the Conservator;

(f) The parties have agreed that Conservator will make a reasonable effort to ensure timely disbursement of all proceeds from matured policies within 30 days of receipt;

(g) The parties have agreed that prior to November 1, 2002, ABC will ensure that all premiums are paid current;

(h) The parties have agreed that Defendants will turn over all funds currently being held in any accounts which contain funds from any investor or policy subject to the Conservatorship Order;

(i) The parties have agreed that beginning November 1, 2002, the Conservator will assume the responsibility to collect, pay and administer the collection and payment of all premiums, and will maintain all records of premium collections, payments, Conservator expenses, billings, etc.;

(j) The parties have agreed that the Conservator will continue to open bank accounts for the deposit of collected premiums and will sign legal documents on behalf of and in the name of the Conservatorship;

(k) The parties have agreed that the Conservator will continue to maintain proper accounting and documentation of all aspects of the Conservatorship;

(l) The parties have agreed an independent auditor, acceptable to the parties, will be retained at ABC's expense, pursuant to the terms of an engagement letter to be agreed to by the parties; and

(m) The Court will make a future determination of any amounts to be reimbursed to ABC for amounts advanced for payment of premiums for which investor funds have been collected.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that:

(a) ABC shall continue to be obligated to pay all costs and expenses of the Conservatorship, including premium shortfalls, Conservator's fees and expenses, and attorney's fees, until seventy-five percent (75%) of the Conservatorship Assets, as defined by the Conservatorship Order, are transferred to the Conservator;

(b) Beginning October 1, 2002, the Conservator will assume the responsibility for the compensation of ABC employees utilized by the Conservator;

(c) The Conservator shall make a reasonable effort to ensure timely disbursement of all proceeds from matured policies within 30 days of receipt;

(d) Prior to November 1, 2002, ABC shall ensure that all premiums are paid current, and that no policies are in lapse status or within a grace period;

(e) Defendants shall turn over all funds currently being held in any accounts which contain funds from any investor or policy subject to the Conservatorship Order;

(f) On November 1, 2002, the Conservator shall assume the responsibility to collect, pay and administer the collection and payment of all premiums, and will maintain all records of premium collections, payments, Conservator expenses, billings, etc.;

(g) The Conservator shall continue to open bank accounts for the deposit of collected premiums and will sign legal documents on behalf of and in the name of the Conservatorship;

(h) The Conservator shall continue to maintain proper accounting and documentation of all aspects of the Conservatorship;

(i) An independent auditor, acceptable to all parties, shall be selected and retained at ABC's expense, to conduct an audit pursuant to the terms of an engagement letter to be agreed to by the parties; and

(j) The Court will make a future determination of any amounts to be reimbursed to ABC for amounts advanced for payment of premiums for which investor funds have been collected.

Dated this 20 day of November, 2002.

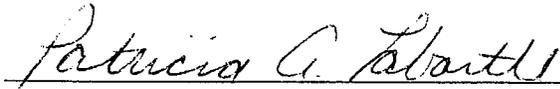
DANIEL L. OWENS

JUDGE OF THE DISTRICT COURT

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the District Court Clerk's Office of Oklahoma County, Okla., this _____ day of _____, 20__.

By _____
PATRICIA PRESLEY, Court Clerk
Deputy

APPROVED:



Patricia A. Labarthe, #10391

Oklahoma Department of Securities

120 North Robinson, Suite 860

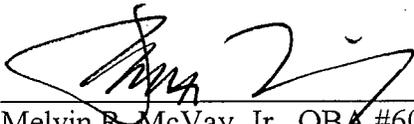
Oklahoma City, Oklahoma 73102

Telephone: (405) 280-7735

Facsimile: (405) 280-7742

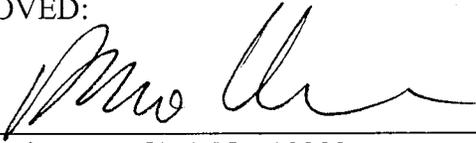
Attorney for Oklahoma Department of Securities

APPROVED:



Melvin R. McVay, Jr., OBA #6096
Thomas P. Manning, OBA #16117
PHILLIPS McFALL McCAFFREY
McVAY & MURRAH, P.C.
Twelfth Floor, One Leadership Square
211 N. Robinson
Oklahoma City, OK 73102
Telephone: (405) 235-4100
Facsimile: (405) 235-4562
Attorneys for Conservator, Tom Moran

APPROVED:



Eric S. Eisenstat, OBA No. 10282

Dino Viera, OBA No. 11556

William H. Whitehill, Jr., OBA No. 12038

Brent M. Johnson, OBA No. 17070

Fellers, Snider, Blankenship,

Bailey & Tippens, P.C.

100 North Broadway Avenue, Suite 1700

Oklahoma City, OK 73102-8820

Telephone: (405) 232-0621

Facsimile: (405) 232-9659

Attorneys for Accelerated Benefits Corporation,

American Title Company of Orlando,

Keith LaMonda and David Piercefield