

**STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
ADMINISTRATOR
First National Center, Suite 860
120 North Robinson
Oklahoma City, Oklahoma 73102**



In the Matter of:

Southmark of Tulsa, Inc.,
Wendell D. Belden,
Gertrude M. Edwards,
Dieta Brown, and
Cannon Ferrell

Respondents,

File No. ODS 02-156

**RESPONDENTS RESPONSE TO THE OKLAHOMA DEPARTMENT OF
SECURITIES SUBPOENA DUCES TECUM DATED MARCH 29, 2002,
MOTION FOR EXTENSION OF TIME FOR DEPOSITIONS AND WAIVER OF
SIXTY DAY REQUIREMENT FOR HEARING**

RESPONSE TO SUBPOENA

Attached hereto are the following documents in response to each of the corresponding numbered items in the above referenced Subpoena Duces Tecum:

1. All Southmark of Tulsa, Inc. mutual fund applications for accounts opened on or after January 1, 2002.
2. Southmark of Tulsa, Inc.'s monthly statements for January, February, March and April of 2002;

3. Southmark of Tulsa, Inc.'s client agreements for January through April of 2002;
4. New account forms for Southmark of Tulsa, Inc. opened January through April, 2002.
5. All other records maintained by Southmark of Tulsa, Inc. or Southmark, Inc. for customers whose accounts were opened on or after January 1, 2002, if any.
6. The Department already has in its possession the advertising and sales literature of Southmark of Tulsa, Inc.. The NASD does not and will not review such material. There has been no advertising for Southmark, Inc.
7. No documentation of the basis of performance calculation was located.
8. Timing signals received by Southmark of Tulsa, Inc..
9. Trade instructions for the managed accounts of Southmark of Tulsa, Inc.
10. All transactions effectuated by Southmark, Inc. are done by application.
11. The new business blotters for Southmark, Inc..
12. Respondents believe that the information requested is on the documents provided for accounts opened during the period and the account statements. Respondents are also providing a name and address list for each of the requested times on the mailing lists in the correspondence files that were sent to all accounts.
13. Respondents believe that the information requested is on the documents provided for accounts opened during the period and the account statements. Respondents are also providing a name and address list for each of the

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16. Correspondence files January through the present.
17. The Written Supervisory Procedures of Southmark, of Tulsa, Inc. are currently under revision and will be provided in approximately two weeks.
18. The Written Supervisory Procedures of Southmark, Inc.
19. A list of all current employees and their job function. All documents reflecting the name of each employee cannot be provided in the time allowed.
20. None
21. All records of cash receipts and disbursements are reflected on the blotter and on the trial balance.
22. Records reflecting asset, liability, reserve, capital, income and expense accounts for Southmark of Tulsa, Inc. and Southmark, Inc.

23. All check registers, bank statements, canceled checks and account reconciliations for Southmark of Tulsa, Inc. and Southmark, Inc.
24. Trial Balances and financial statements of Southmark of Tulsa, Inc. and Southmark, Inc. Southmark does not have an internal audit staff.
25. All written communication of Southmark of Tulsa, Inc. and any of its employees regarding the business of the investment adviser. None was located for the period.
26. All written communication of Southmark, Inc. and any of its employees regarding the business of the broker-dealer. None was located for the period.
27. All written communication received or sent by Southmark, Inc. or Southmark of Tulsa, Inc. relating to the business of the investment adviser. All correspondence files for the period have been produced. No other applicable material was located.
28. Respondents will provide requested documents relevant or likely to lead to relevant matters.

MOTION FOR EXTENSION OF TIME FOR DEPOSITIONS AND WAIVER OF SIXTY DAY REQUIREMENT FOR HEARING

Come now the Respondents and request that the Administrator issue an order extending the time for the hearing and depositions ordered in this matter by thirty days by joint agreement of the parties. The Respondents waive their right to a hearing within sixty days as required by statute.

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 23rd day of May 2002, a true and correct copy of the above and foregoing Order to Cease and Desist was mailed by certified mail, return receipt requested, delivery restricted to addressee, with postage prepaid thereon addressed to:

BuyItNow, Inc.
7170 S. Braden, Suite 140
Tulsa, OK 74136

Patrick Rooney
7170 S. Braden, Suite 140
Tulsa, OK 74136

Anthony Cole Link
7170 S. Braden, Suite 140
Tulsa, OK 74136

BuyItNow, Inc.
8321 E. 61st Street, Suite 210
Tulsa, OK 74133

Patrick Rooney
8321 E. 61st Street, Suite 210
Tulsa, OK 74133

Anthony Cole Link
8321 E. 61st Street, Suite 210
Tulsa, OK 74133


Brenda London Smith
Paralegal