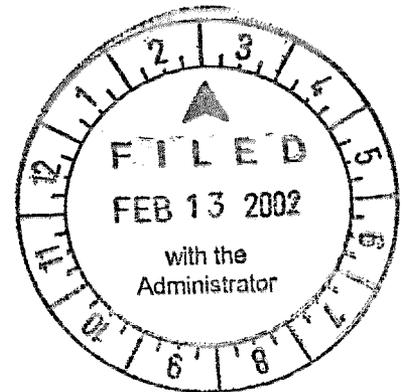


STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Southmark of Tulsa, Inc.,
Wendell D. Belden, and
Gertrude M. Edwards,

Respondents.

File No. ODS 01-150

SCHEDULING ORDER

On February 6, 2002, Hearing Officer Norwood Beveridge conducted a scheduling conference for the purpose of disposing of pending motions and entering an order scheduling pre-hearing proceedings in the above styled and numbered cause. The Oklahoma Department of Securities (Department) appeared through its attorneys, Rebecca A. Cryer and Gerri Stuckey. Respondents Southmark of Tulsa, Inc. (Southmark), Wendell D. Belden (Belden) and Gerturde M. Edwards (Edwards) appeared through their attorney Steven H. Hunt. Statements and arguments of counsel were heard. A scheduling order based thereon was entered as follows:

THIS ORDER is entered as of the 6th day of February, 2002, as supplemented February 13, 2002.

Respondents' Motion for Stay is denied without prejudice to the civil proceedings pending in the District Court of Tulsa County in Case No. CJ-2002-00219.

By agreement of the parties the stipulations attached hereto and marked as Exhibit 1 are offered and accepted into evidence.

Counsel have discussed with the the Hearing Officer their respective need for adequate discovery time, complexity of legal issues to be addressed, and their caseload in arriving at this agreed Scheduling Order.

IT IS ORDERED that the following must be completed within the time fixed:

1. Oral argument will not be heard on pre-hearing motions. Argument will be submitted to the hearing officer in writing and shall be disposed of by written order.

2. Respondents are ordered to produce all documents listed on Exhibit 2 attached hereto on or before February 18, 2002. Respondents are ordered to advise Hearing Office Beveridge by February 8, 2002, as to how the documents will be produced. Since Respondents have failed to comply with this order, Respondents are ordered to produce all documents listed on Exhibit 2 on or before 5:00 P.M. on February 19, 2002, at the offices of the Oklahoma Department of Securities, 120 N. Robinson, Suite 860, Oklahoma City, Ok 73072. Failure to comply will result in sanctions.
3. The parties shall submit a Preliminary Witness List and a Preliminary Exhibit List, each to the other, and to Hearing Officer Beveridge by February 8, 2002. Submission of the preliminary lists may be accomplished by fax or any other method that will assure delivery on or before 5:00 P.M. on February 8, 2002.
4. Respondents', having announced their intent to file a Motion to Dismiss, are ordered to file such Motion by February 13, 2002.
5. The Oklahoma Department of Securities' response to Respondents' Motion to Dismiss must be filed by February 20, 2002.
6. Respondents are to produce Wendell Belden, Gertrude Edwards, Dale Penn and Respondents' expert witness for deposition by the Department on or before March 8, 2002. The deposition of Wendell Belden, Gertrude Edwards, Dale Penn. and Respondents' expert witness are tentatively scheduled for February 25th 26th 27th 28th or during the first week of March 2002. The parties are to confer with each other to arrange and confirm dates for depositions.
7. The parties shall provide each other and the Hearing Officer with a Final Exhibit List and a Final Witness List by March 12, 2002.
8. Respondents are to take the deposition of Alan Ross before March 12, 2002.
9. All Discovery is to be completed by March 12, 2002.
10. The Oklahoma Department of Securities' Hearing Brief shall be provided to the Hearing Officer by March 15, 2002.
11. All Objections to the admission of testimony of any witness or exhibit shall be presented in writing to Hearing Officer Beveridge by March 17, 2002.
12. A Final Pre-Hearing Conference shall be conducted on March 22, 2002, at 10:00 a.m. at the offices of the Oklahoma Department of Securities.

13. Respondents' response to the Oklahoma Department of Securities' hearing brief shall be delivered to the Oklahoma Department of Securities on March 22, 2002, by 3:00 p.m.
14. The Oklahoma Department of Securities' reply brief shall be delivered to Respondents on March 25, 2002, by 3:00 P.M.
15. The hearing in this proceeding shall be conducted in the offices of the Oklahoma Department of Securities on March 26, 2002, at 10:00 A.M.

IT IS ORDERED that no date set by this Order can be changed except for good cause and upon written Order of this Hearing Officer prior to the date scheduled.



Norwood Beveridge, Hearing Officer