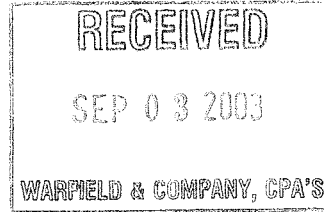


TERRY GODDARD
Attorney General
(Firm State Bar No. 14000)



CAMERON H. HOLMES, Chief
Financial Remedies Section
Mark C. Knops, #012776
Assistant Attorney General
1275 West Washington Street
Phoenix, Arizona 85007
Telephone: (602) 542-3881
Attorneys for the STATE

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

IN THE MATTER OF:

PROCEEDS FROM BANK OF AMERICA
ACCOUNT #4672000476
IN THE NAME OF UNITE 1
INVESTMENT ASSISTANCE, ET AL.,
AS MORE PARTICULARLY DESCRIBED
IN THE ATTACHED APPENDIX ONE

NO. CV2001-011252
(Cross Reference SW 2001-000231
& SW 2001-000303)

**ORDER APPOINTING
RECEIVER**

Upon application by the State of Arizona *ex. rel.* TERRY GODDARD, Attorney General (“State”), with supporting Declaration, together with the Order of Forfeiture (in rem) previously entered in this case, this Court finds that pursuant to A.R.S. §§ 13-2314(B) and (G), it has a duty to protect the interests of persons injured by the racketeering conduct giving rise to the Order of Forfeiture; that it retained jurisdiction of this matter for that purpose, including the remedial distribution to such persons of forfeited property pursuant to A.R.S. §§ 13-4311(N)(2)-(3), 13-4315(C)(3) and the Order of Forfeiture entered herein; that the State has shown by its Application for Order Appointing a Receiver to Administer the Remedial Distribution of Property Forfeited In Rem and attachments thereto that the identification and compilation of injured persons qualifying under A.R.S. §§ 13-4301(3) for remedial distribution mandated by the Order of Forfeiture will be facilitated and expedited by appointment of a Receiver to administer this and other related tasks; and that this Court has authority to order such appointment for the foregoing purposes pursuant to A.R.S. §§ 12-123(B), 12-1241, 13-2314(B) and 13-4310(A).

1 **GOOD CAUSE APPEARING, IT IS ORDERED** that Lawrence J. Warfield is appointed
2 Receiver to perform the duties assigned to the Property Manager of the Arizona Attorney General's
3 Office in numbered paragraphs five and six on page two of the Order of Forfeiture previously entered
4 herein, and the Property Manager shall be relieved of such duties upon transfer to the Receiver of
5 all injured person information previously compiled by the Property Manager pursuant to the Order
6 of Forfeiture. The Receiver shall be the agent of the Court and shall be accountable directly to the
7 Court.

8 **IT IS FURTHER ORDERED** that the Receiver is directed and authorized to perform the
9 following additional duties related to the foregoing:

- 10 1. Undertake such further efforts as may be reasonably necessary to identify and locate persons
11 who sustained injury from the Unite 1 Investment Assistance ("UIA") program and qualify
12 under A.R.S. §§ 13-4301(3) for compensation from the remedial distribution of forfeited
13 property. The Securities Division of the Arizona Corporation Commission and any other
14 person shall provide to the Receiver for this purpose all original records or true copies
15 thereof relating to the identification and location of such injured persons and their
16 qualification for compensation by remedial distribution. If in the course of such efforts, the
17 Receiver locates or identifies other property that may be subject to forfeiture and remedial
18 distribution to persons who sustained injury from the UIA program, the Receiver shall
19 forthwith notify the Arizona Attorney General's Office of such particulars. Wherever
20 necessary, the Receiver shall obtain records by the issuance of subpoenas in this action and
21 conduct any discovery the Receiver finds useful for the purposes of the receivership ordered
22 herein.
- 23 2. Compile from the foregoing efforts and file with the Court a proposed list of injured persons
24 qualifying for compensation by remedial distribution of forfeited property, including therein
25 the respective amounts of compensation proposed for distribution to each such person.
- 26 3. Pursuant to orders to be issued by the Court for remedial distribution of forfeited property,
27 administer such distribution to qualified injured persons by payments from custodial funds
28 made available to the Receiver for that purpose by the Arizona Attorney General's Office.

1 The Receiver shall open one or more bank accounts as designated depositories for such
2 compensatory funds, make all remedial distributions therefrom, and maintain accurate
3 records of all such receipts and distributions for disclosure to the Court during the pendency
4 of the receivership ordered herein.

5 4. Prior to receipt of custodial funds for remedial distribution to specified persons pursuant to
6 Court order, the Receiver shall file with the clerk of this Court a bond in the sum of \$10,000,
7 without need for sureties approved by the Court, conditioned that he will faithfully discharge
8 his assigned duties, duly account for all assets, monies and properties which may come into
9 his hands and obey the orders of the Court.

10 5. Institute, defend, compromise or adjust actions or proceedings in state or federal courts as
11 may in the discretion of the Receiver be advisable or proper for the protection, preservation
12 and maintenance of records or property subject to receivership custody.

13 6. Perform all acts incidental or necessary to accomplish the foregoing duties, including but not
14 limited to retaining, hiring or dismissing any employees or agents, attorneys, accountants and
15 other independent contractors as the Receiver and this Court deem advisable or necessary
16 under the circumstances for the purposes of the receivership ordered herein.

17 7. Cooperate with reasonable requests for information or assistance from any state or federal
18 law enforcement or regulatory agency.

19 **IT IS FURTHER ORDERED** that, upon service of this Order upon them, any person so
20 served shall immediately deliver over to the Receiver or his duly authorized agent all original hard
21 copy and electronic records, or true copies thereof, relating to financial or property transactions
22 connected with the UIA program and disposition of its proceeds, including, but not limited to, books
23 and records of accounts; financial and accounting records; bank or other financial institution records;
24 client, investor, mailing and contact lists; financial and legal instruments; applications;
25 correspondence; reports; memoranda and notes; and any other document or record memorializing
26 information relevant to such transactions.

27 **IT IS FURTHER ORDERED** that the Receiver and all persons hired, retained or engaged
28 by same as authorized herein or otherwise, are entitled to reasonable compensation for the

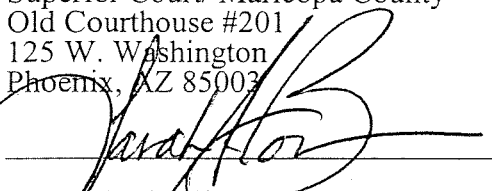
1 performance of duties pursuant to this Order and for the cost of necessary expenses incurred by them.
2 The Receiver shall file with the Court periodic requests for payment of such compensation from the
3 funds previously forfeited in this case and now in the custody of the Arizona Attorney General's
4 Office.

5 DONE IN OPEN COURT this _____ day of _____, 2003.

6
7
8 _____
9 JUDGE OF THE SUPERIOR COURT

10 ORIGINAL and copies lodged
11 this 27th day of August, 2003,
12 with:

13 HON. MARGARET H. DOWNIE
14 Superior Court/ Maricopa County
15 Old Courthouse #201
16 125 W. Washington
17 Phoenix, AZ 85003

18 
19 _____
20 **Upon signing/filing of the Order,
21 two conformed copies were mailed
22 by the Court to:**

23 Mark C. Knops
24 Arizona Attorney General's Office
25 1275 W. Washington CRM/ FRS
26 Phoenix, AZ 85007

27 **Upon signing/filing of the Order,
28 six certified copies were prepared
for pickup by the Receiver named
therein:**

29 Lawrence J. Warfield
30 14555 N. Scottsdale Rd., Suite 200
31 Scottsdale, AZ 85254
32 (480) 948-1711

33 
34 _____