

ROBB EVANS & ASSOCIATES LLC
Receiver of
Assail, Inc.
Infinium, Inc.
Market-Rep.com, Inc.
Summit Communications International, Inc. dba
Advantage Capital
Capital First Benefits, Inc.
Premier One Benefits, Inc.
Par 3, Inc.
Valdine Management Company, Inc.
And the assets of Kyle Kimoto

REPORT OF RECEIVER'S ACTIVITIES
AUGUST 30, 2003 THROUGH SEPTEMBER 15, 2004

This report covers the activities of the Receiver since the last Report. This is the Fifth Report to the Court on the progress of the Receivership. It does not constitute an audit of financial condition and is intended only to provide information for use by the Court in assessing the progress of the Receivership.

Continuing Financial Investigation

The Receiver has continued the investigation into disbursements from entities controlled by Kyle Kimoto.

Movement of Funds

In previous reports, the Receiver has documented that Kyle Kimoto and others acting in concert with him have devised and executed an elaborate money laundering scheme in an attempt to disguise the true ownership of the Receivership Defendants' assets. Many of the overt acts in furtherance of the scheme were conducted after the Court issued the Temporary Restraining Order and Preliminary Injunction Orders in this matter. The Receiver continues to investigate various disbursements in an effort to identify additional assets under the control of Kyle Kimoto. The Receiver will update the Court on the status of demands made to various individuals and entities, which the Receiver has identified as recipients of estate assets or active participants in the scheme to hide assets from the Court.

Alliance Solutions, Inc. (Alliance)

Alliance received \$4,205,383 from entities owned or otherwise controlled by Kyle Kimoto (Kimoto Entities). During 2002, Alliance disbursed \$908,479 to Par 3, Inc. and \$711,927 to

Global Benefits, Inc. On October 23, 2002, Alliance disbursed \$116,431 to Valdine Management Company, Inc. On January 17, 2003, Alliance wire transferred \$200,000 to the account of Robert M. Draskovich, an attorney who represents Kyle Kimoto. The Receiver's efforts to demand return of the monies distributed to Par 3 and Global Benefits will be discussed later in this report.

The Receiver made demand on Robert M. Draskovich for return of the \$200,000 in addition to another \$10,000 he received from an account of Valdine Management Company, Inc.. Mr. Draskovich refused to return these funds and pursuant to the stipulated final judgment Kimoto entered into with the Federal Trade Commission, Draskovich filed an application to be allowed to keep the \$210,000. The Court refused his request and he has appealed this ruling to the 5th Circuit Court of Appeal.

Global Benefits, Inc. (Global)

As previously reported, on January 10, 2003, Global issued a check for \$400,000 to Members Express, Inc. This check was not negotiated until February 5, 2003. The signer of this check was Milton Edna, who the Receiver has confirmed to be a fictitious person. The Receiver also confirmed that Kyle Kimoto initiated this payment. The Receiver conducted informal interviews with Stacy Gramlich, who became President of Global in February 2003 and Eric Bowen, the President of Members Express. During the course of the interviews and in subsequent depositions, it became clear that Kyle Kimoto was controlling the operations and activities of Global and Members Express. Stacy Gramlich and Eric Bowen worked together at a Lexus automobile dealership and within a 30-day period, both individuals were appointed, or otherwise became, presidents of two companies affiliated with Kyle Kimoto. In addition, Mr. Bowen is a stepbrother of James Fales, the current 51% "owner" of Par 3, Inc.

The Receiver conducted a deposition of Stacy Gramlich on May 13 and 14, 2004. Under Tab 1 is an excerpt from the deposition and an exhibit from the deposition that demonstrate Kyle Kimoto controlled Global and caused mail to be sent to Global at 1192 West Sunset Blvd, St. George, UT.

The Receiver believes the payment of \$400,000 to Members Express to be a sham transaction designed to hide assets from the Receiver. Immediately after the funds cleared, Eric Bowen transferred \$275,000 to Brian Lorenz, doing business as Mediatel Data USA, purportedly for software development and licensing of an improved voice mail product. Mr. Lorenz is the sole officer and director of Mediatel Data.

The Receiver made demand on Members Express, Inc. and Mediatel Data for return of these funds and the demand was refused. The Receiver commenced litigation against Eric Bowen, Members Express, and Mediatel Data to recover these funds.

Based on a review of financial records obtained through discovery, the Receiver determined that Mr. Lorenz made two transfers¹ of \$175,000 and \$5,000 on February 20, 2003. The Receiver conducted a deposition of Mr. Lorenz on July 23, 2004. Mr. Lorenz testified that the two transfers totaling \$180,000 were for the purpose of purchasing a ten percent (10%) interest in a company called Desert Valley Marketing, Inc. (DVM). Mr. John Russell is listed on public records as sole owner, officer and director of the company. Mr. Lorenz testified that he did not conduct any due diligence on the company or its principal. The monies received from Members Express and the investment in DVM was completely out of the ordinary from Mr. Lorenz's prior business dealings. Mr. Lorenz stated that he was advised by an associate of Mr. Kimoto that DVM would be a good investment. Mr. Lorenz claims that he has never met Mr. Russell, never visited the offices of DVM, and has no idea where DVM is located.

Based on all of the information currently available to the Receiver, as detailed in the following paragraphs, the Receiver is very suspicious about the nature of the transfer of funds from Mediatel Data to DVM. Under Tab 2 is a graph that depicts the movement of funds from Global through three entities to a fourth group of entities.

Under Tab 3 are public documents the Receiver obtained on the corporate history of DVM. On February 11, 2003 John Russell incorporated the company as Buy Cars Right.com. On February 18, 2003 Mr. Russell changed the name of the company to DVM and on March 10, 2003 Mr. Russell again changed the name to Olympian Group. The signature on the February 11th document appears to be different from the signatures on the February 18th and March 10th documents.

The Receiver subpoenaed banking records for DVM and has received some of those records. The bank statement for DVM does reflect a deposit of \$175,000 on February 20, 2004, but does not reflect a \$5,000 deposit.

Under Tab 4 is a \$20,000 check dated February 24, 2004 issued by DVM to FNB Data Corp. (FNB). Public documents list the registered agent of FNB as Peter Porcelli II. Kyle Kimoto and Assail had previously done business with Mr. Porcelli. In addition, Mr. Lorenz testified that he had sold an auto dialer telephone system to Mr. Porcelli.

On March 24, 2003 DVM issued a \$50,000 check to Ideal Financial Group (Tab 5). This check was issued on DVM's check stock after the company's name changed to Olympian Group on March 10, 2003. Based on information provided by Wells Fargo Bank in response to a subpoena, the Receiver determined that the check was deposited to the account of Ideal Financial Solutions Corp. on March 27, 2003 (Tab 5). Ideal Financial Solutions Corp.'s account was opened on March 21, 2003 with a \$100.00 deposit. Bank documents list the president of Ideal Financial Solutions Corp. as Steven L. Sunyich. The bank statement under Tab 5 shows the company's address as 1192 W. Sunset Blvd., St. George, UT., the same address as Global. The Receiver is conducting further discovery on this matter.

¹ The Mediatel Data bank statement reflects these transfers as electronic transfers to another account at the same bank.

On April 17, 2003 the Olympian Group issued a \$7,930.64 check to Nutel (Tab 6). The signature on the check to Nutel is clearly not the same as the documents and checks purportedly signed by Mr. Russell. The Receiver located a company named Nutel Communications in St. George, Utah. According to Nutel's website, the company sells telephone systems. Based on information provided to the Receiver by Nutel in response to a subpoena (Tab 6), the Receiver determined that a telephone system was delivered to DVM at 1192 W. Sunset Blvd., St George, UT. That is the same address as Global and Ideal Financial Solutions Corp. Additionally, Nutel's billing (Tab 6) was addressed to Tasha Swenson. Tasha Swenson was formerly employed by Assail, Inc. and listed as its Operations Manager in records obtained by the Receiver.

Valdine Management Company, Inc. (Valdine)

As detailed in the Receiver's Second Report, the sole officer of Valdine was Steven Henriksen, the younger brother of the individual defendant, Michael Henriksen. Valdine received \$442,811 in 2002 from various Kimoto Entities.

In previous reports, the Receiver has detailed disbursements directly to or for the benefit of Steven Henriksen totaling \$217,638, which includes employment bonuses and cash withdrawals of \$170,638 and a \$47,000 payment to the IRS. In addition, Steven Henriksen directed payments to various law firms representing Kyle Kimoto or entities controlled by Kyle Kimoto in the amount of \$155,000. All of the above disbursements occurred after this Court issued the Temporary Restraining Order. Demand was made on the various law firms and Steven Henriksen for return of the funds. To date, four law firms have returned about \$85,000 to the receivership estate.

The Receiver filed an Order to Show Cause why Steven Henriksen should not be held in contempt for failing to return the funds to the Receiver. On October 20, 2003, the Court signed the Order finding that Steven Henrikson had violated the Preliminary Injunction Order and was held in contempt of court. Mr. Henriksen was ordered to be held in the custody of the U.S. Marshals until he repaid the Receiver \$367,800.00. Mr. Henriksen was incarcerated for approximately three weeks. Subsequently, the Court determined that Mr. Henriksen did not have the means to repay the Receiver and ordered his release from custody.

International Business Management Group (IBMG)

As a brief background on the source of funds received by IBMG, Global transferred \$654,219 to Tower Holdings LLC (Tower) and \$624,397 to Red Rock GT2 LLC (Red Rock). Julie Kimoto is listed as the 100% owner and sole member of both LLCs. The Third Report detailed payments from Tower to American Dental Society (ADS) totaling \$118,267 and payments from Red Rock to ADS totaling \$183,093. As previously reported, Nevada public records state that Steven Henriksen was the sole officer of ADS.

On January 21, 2003 ADS wired \$295,000 to IBMG. The criminal proceedings involving Mr. Shawn Hatfield, the president of IBMG, were discussed in the Fourth Report. This transfer of funds was another scheme by Kyle Kimoto in concert with Shawn Hatfield to launder money and hide it beyond the control of the Receiver.

IBMG's bank statements reflect a decline in activity starting in March 2002 through December 2002. The large deposit amount in January 2003 reflects the \$295,000 received from ADS. Brian Lorenz also sent Shawn Hatfield \$10,000 in February 2003 from Mediatel. In February 2003, IBMG wired \$235,000 to San Gabriel, Inc. (San Gabriel). Shawn Hatfield received \$17,500 from the IBMG account ostensibly for his participation in diverting these funds from the receivership estate.

The Receiver concluded that the principal of San Gabriel was an unwitting participant who received \$12,000 for what he thought was selling leads for marketing purposes. The Receiver demanded return of the funds from San Gabriel. San Gabriel agreed to the Receiver's demand and returned the funds to the receivership estate.

In February 2003, San Gabriel sent a total of \$200,000 to Ernest W. Kuehne Jr. Trust account. The Receiver made demand on Ernest W. Kuehne Jr., another one of the attorneys who has represented Kyle Kimoto, to return the \$200,000 he received from San Gabriel. Mr. Kuehne claimed that certain fees were earned, however he ultimately settled with the Receiver and the Federal Trade Commission. Under the settlement, Mr. Kuehne returned \$150,000 to the receivership estate.

As detailed in the Supplemental Fourth Report, IBMG issued a \$10,000 check to Progressive Internet Solutions and a check payable to cash for \$13,000, which was endorsed by Angel Hadfield.

The Receiver conducted a telephone interview with Mr. Gregory Digiovanni, Jr., the sole officer of Progressive Internet Solutions. Based on information provided by Mr. Digiovanni, the Receiver concluded this payment was made in the ordinary course of business and did not demand return of the funds.

On January 20, 2004 the Receiver conducted a deposition of Angel Hadfield. Ms. Hadfield testified that she cashed the \$13,000 check at the request of her brother, Scott Burley. As previously reported, Mr. Burley is Kyle Kimoto's brother in law. Ms. Hadfield further testified that she gave the cash to her brother. The Receiver made demand on Mr. Burley to return the funds. Mr. Burley made an initial repayment of \$4,250, but he is in default on his agreement to make full repayment and a demand that he cure this default has been sent by the Receiver.

Unexplained Movement of Funds Involving Kyle Kimoto, Richard Fritzler, Sr., Richard Fritzler, Jr., and Madge Fritzler

In the Fourth Report and the Supplement to the Fourth Report, the Receiver detailed a complex money laundering scheme carried out with Kyle Kimoto and the Fritzlers. Kimoto Entities transferred \$3,389,332 to the web of companies set up by the Fritzlers. The Receiver accounted for all but approximately \$480,000 of the distributions. In deposition with Richard Fritzler, Sr. the Receiver learned that this amounted to the fees charged by the Fritzlers for their participation in the scheme. The Receiver demanded return of the funds from the Fritzlers, which demand was initially refused. The Receiver filed a show cause motion and the Court set a hearing for June 21, 2004. In previous depositions, the Fritzlers refused to testify and asserted their Fifth Amendment privilege. The Receiver agreed to stipulate to a continuance of the contempt hearing based on the Fritzlers' agreement to be deposed and answer all factual questions. The Receiver conducted depositions of the Fritzlers and prior to the contempt hearing the Receiver reached a settlement agreement whereby the Fritzlers would pay the Receiver \$300,000 to settle the contempt action. This amount was paid as agreed.

Of the \$3,389,332 laundered through the Fritzlers, \$2,869,652 was deposited with Worldwide Creation Management (Worldwide). Worldwide then transferred \$450,000 to Caubo Holdings, \$2,000,000 to Animo LLC (a portion of which was transferred through Southern Utah Title Company) and \$400,000 to Par 3 for a real estate transaction also through Southern Utah Title Company.

The Receiver has interviewed the principals of Caubo Holdings and reviewed the company's financial statement. The company has been operating at a loss and the estate's ownership interest in this asset is expected to sell at a significant loss.

As previously reported, Lyndi Fales and James Fales are the members of Animo. On August 7, 2003 the Receiver conducted a deposition of Lyndi Fales. Ms. Fales asserted her Fifth Amendment rights to all substantive questions with respect to Animo at the deposition. Also, on August 7, 2003 the Receiver conducted a second deposition of James Fales. Mr. Fales asserted his Fifth Amendment rights to all substantive questions at the deposition.

Of the funds received from Worldwide Creation Management, about \$234,000 was paid to companies related to James Fales, about \$566,000 was used for a real estate transaction involving what is known as the Hurricane property and \$1,200,000 was paid to Light House Capital Corporation (Light House Capital). Light House Capital maintains its bank account at the Federal Bank of The Middle East Ltd. in Nicosia, Cyprus.

The Receiver made demand upon James Fales for return of the funds and properties. Mr. Fales rejected this demand. Thereafter, the Receiver filed a Motion to Show Cause why Mr. Fales should not be held in contempt. After evidentiary hearings in October, 2003 and January, 2004, Fales was held in contempt and briefly incarcerated on January 6, 2004.

However, he was released in exchange for his promise to deed the Hurricane property to the Receiver, turn over \$107,000 to the Receiver immediately, and turn over \$1,293,000 to the Receiver within six months. While the Hurricane property was deeded over to the Receiver and approximately \$107,000 deposited with the Court, no further payments were made by Fales to the Receiver as required by the Court, although certain tanzinite stones of apparently minimal value were deposited with the Court. A new show cause order was issued at the request of the Federal Trade Commission, and at the conclusion of the hearing held on September 10, 2004, the Court again found Fales to be in contempt and ordered him incarcerated until he turned over \$1,293,000 in order to purge his contempt.

Demand on the LDS Church

The Receiver has also made demand on the Church of Jesus Christ of Latter-day Saints for return of approximately \$416,000 donated by Kimoto and Assail from the proceeds of the fraudulent enterprise. The Church has been investigating this matter over the last several months since demand was made and the Receiver believes a resolution of this issue will be forthcoming in the near future.

Kyle Kimoto bankruptcy

As a result of Kimoto's failure to disclose all of his assets fully and completely to the Federal Trade Commission as part of his final settlement, the Commission sought to invoke the avalanche clause of the stipulation and sought entry of a \$106 million judgment. Immediately before the hearing on the Commission's motion, Kimoto filed for bankruptcy under Chapter 11 in Las Vegas, in order to attempt to preserve for himself the equity in certain residential real property he purchased last January located on Stony Ridge Drive in Las Vegas and which he had attempted to resell. Ultimately, the Commission and Kimoto reached an agreement pursuant to which Kimoto was permitted to retain only \$10,000 from any resale of the property with the balance of the equity being paid to the Receiver and the bankruptcy was ordered dismissed.

Liquidation of Assets

On January 28, 2004 the Court approved a motion outlining procedures governing the liquidation of assets. Pursuant to that Order, the Receiver commenced the liquidation process.

The office furniture and equipment located at the Assail offices in St. George were moved to Las Vegas and sold at public auction. There were several conflicting liens totaling over \$400,000. Equipment listed on several of the UCC-1 filings had previously been moved or sold by Assail and were never located. The remaining primary lienholder was a bank in Southern Utah with a lien for approximately \$330,000. The Receiver negotiated an agreement with the bank to share the net proceeds of the auction. After payment of the auctioneer's fee and lienholders, the estate received net proceeds of \$21,933.00 from the auction.

On March 6, 2004 the Receiver conducted a public auction of various automobiles, trailers, snowmobiles, jet skis and all terrain vehicles. The Receiver obtained appraisals using a combination of NADA, Kelly Blue Book and appraisals from professional dealers of the equipment. The average value of the assets totaled \$276,896. The Receiver set the combined reserve amount at \$225,518, which is just over 80% of the average appraised value. The assets were sold for \$295,760, almost \$20,000 over the average appraised value. After paying the auctioneer's 10% seller's fee, the net return to the estate was \$266,184.

The residence owned by Kyle Kimoto located in St. George, Utah was sold for \$1,710,000. The average of two appraisals and broker's opinion of value was \$1.7 million. The personal property in the home was valued at \$80,000 and was sold to the purchaser of the residence for 100% of the appraised value. After paying off the underlying mortgage, broker's fees and liens, the net return from the sale of the residence was \$333,080.

Par 3, Inc. purchased a cabin near a ski resort in Brianhead, Utah. The cabin was purchased for \$855,000. Par 3 paid \$115,000 in cash and executed a note carried by the owner for \$740,000. Initially, the Receiver was advised that sufficient equity did not exist in the cabin to pay off the underlying mortgage and brokerage fees. Sales in the Steam Engine Meadows subdivision had been stagnant and the developer was facing a foreclosure action filed by the primary lender. The Receiver obtained two certified appraisals and two broker's opinion of value. The average value of appraisals and broker's opinion of value was \$972,500. The Receiver interviewed local brokers and signed a short term listing agreement with a well-reputed broker with offices in Brianhead, Utah. Payments on the underlying note were suspended when the Federal Trade Commission filed the lawsuit. The payoff for the mortgage exceeded \$800,000, but the Receiver was able to obtain an agreement from the holder of the note to accept \$790,000 in the event the Receiver was successful in marketing the cabin. The cabin was sold for \$925,000. After payment of the mortgage, broker's fees and various liens, the estate received a net return of \$73,862.16. The Receiver sold the furniture in the cabin to the purchaser for the appraised value of \$20,000.

The issues faced by the Receiver on the remaining properties purchased by Par 3 are much more difficult and at present, the Receiver is not able to accurately advise the Court of the potential return. The remaining properties consist of several agricultural and commercial properties. In most cases, Par 3 would pay a minimal down payment and require the seller to carry back a note for the balance.

The Receiver previously reported the difficulty of locating two certified appraisal companies in Southern Utah willing to accept new clients. It took almost four months to obtain two appraisals on all of the remaining properties. The last appraisals were delivered to the Receiver during the last week in July 2004. Results of the appraisals are troubling to the Receiver. The opinions contain sharply conflicting values. The appraisals containing the lower values for the properties would lead the Receiver to recommend that the properties should be abandoned because there is insufficient equity to support marketing costs and mortgage payments. Assuming the values of the properties are consistent with the higher appraised values, the Receiver would market the properties.

The Receiver has decided to obtain a third appraisal for those properties with conflicting appraisals. It appears likely that the Receiver will need to employ a firm from Las Vegas, Nevada or Salt Lake City, Utah.

The Receiver is attempting to resolve difficult issues regarding a public storage facility in Cedar City, Utah, called Ace Storage. Julie Kimoto ostensibly sold all property interests held by Tower to GMF Holdings, a company owned by Lyndi Fales, who is the wife of James Fales, including a 50% interest in Ace Storage. The Court included GMF as a receivership entity resulting in the estate owning a 50% interest in Ace Storage. The other 50% interest is owned by LCM Holdings, a company owned by James Fales and his father Steven Fales. Ace Storage has been managed by and under the exclusive control of James Fales and Steven Fales during the term of the receivership. The Receiver has repeatedly demanded an accounting from James Fales for the operations of Ace Storage. James Fales continues to ignore this Court's orders and refuses to cooperate with the Receiver by providing a meaningful accounting of income and expenses regarding Ace Storage.

As noted above, the Hurricane property was deeded to the Receiver by Mr. Fales. The Receiver has obtained two appraisals and is in the process of selecting a broker to market the property.

Respectfully submitted,

Robb Evans & Associates LLC
Receiver

1 numbers where it says, "page 14 of 15."

2 A. Here.

3 Q. Right. There is a check dated
4 March 12, 2003 – actually, it was a wire
5 transfer to Weaver & Amin for \$7,500.

6 Do you see that?

7 A. Yes.

8 Q. And I think you produced some
9 documents that reflect that transaction.

10 Do you recall that?

11 A. Yes.

12 Q. Do you know what that transaction
13 was for?

14 A. I believe that was helping with a
15 client complaint.

16 Q. Weaver & Amin was helping with a
17 client complaint?

18 A. Yes.

19 Q. And who is Weaver & Amin?

20 A. They are attorneys.

21 Q. Are those the attorneys that Global
22 Benefits utilized?

23 A. That one time, as far as I know.

24 Q. And did you negotiate retention of
25 Weaver & Amin?

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1 e-mailed me.

2 Q. So he set up the contact between
3 you and Weaver & Amin?

4 A. Yes.

5 Q. Did he already negotiate the \$7500
6 payment?

7 A. Yes, he did.

8 Q. So that had already been decided by
9 the time you first were contacted by Weaver &
10 Amin?

11 A. Yes.

12 Q. And then, you were instructed by
13 Kyle to wire the funds to the law firm?

14 A. Yes.

15 Q. And you followed that instruction?

16 A. Yes.

17 Q. There is a letter in here from
18 Weaver & Amin that reflects a fee agreement
19 that you produced yesterday.

20 Do you recall that?

21 A. Yes. I believe it's an invoice
22 for – because they had dealt with the
23 complaint.

24 Q. It is actually correspondence from
25 the Weaver & Amin firm setting forth the terms

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1 A. No. Kyle Kimoto did, gave me that
2 contact.

3 Q. So you needed legal assistance with
4 respect to a customer complaint, correct?

5 A. Yes. And the complaint was prior
6 to me taking over the company. It was an
7 existing complaint.

8 Q. But the work they started to do
9 with respect to that complaint was done in
10 March of this year?

11 A. Correct.

12 Q. You told Kyle, "I need a lawyer to
13 help me work through this customer complaint"?

14 A. Correct.

15 Q. He suggested that you use Weaver &
16 Amin?

17 A. Correct.

18 Q. And then, you contacted Weaver &
19 Amin?

20 A. No. I believe I only e-mailed
21 them. I never spoke to them on the phone.

22 Q. You e-mailed them and said, "I need
23 your assistance on this customer complaint
24 matter"?

25 A. No. Kyle spoke with them, and he

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1 of the engagement?

2 A. Yes, I believe it was sent to me,
3 and I signed it.

4 Q. Now, it was addressed Global
5 Benefits at a St. George address, 1192 West
6 Sunset Boulevard, Suite 6, St. George, Utah.

7 Are you familiar with that
8 address?

9 A. No, I'm not.

10 Q. Do you know where that address was
11 obtained by the firm?

12 A. No, I don't know where they got
13 that address. I was actually out of town.
14 I was in New York when this happened, and I
15 just had them fax it to me, and I signed it and
16 faxed it back.

17 MR. CARIS: Let's mark as Exhibit 5
18 the March 19, 2003 engagement letter from
19 Weaver & Amin to Global Benefits.

20 (Deposition Exhibit 5 was
21 marked for identification.)

22 BY MR. CARIS:

23 Q. This does not appear to be a fax
24 copy. This appears to be a copy of an
25 original.

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1 I take it you have the original
2 engagement letter in your file?
3 A. If you have a copy of it, yes, it's
4 in my file.
5 Q. This is not a fax copy, true?
6 A. It was probably e-mailed to me, not
7 faxed, and then, I just printed it.
8 Q. You did not provide Weaver & Amin
9 the Sunset Boulevard address that's found on
10 Exhibit 5, correct?
11 A. No, I did not.
12 Q. And Kyle is the one that had the
13 contact with Weaver & Amin, correct?
14 A. Correct.
15 Q. No one other than Kyle originated
16 the contact between Global Benefits and
17 Weaver & Amin, correct?
18 A. Not to my knowledge.
19 Q. Have you ever been to this address
20 in St. George, Utah that's reflected on
21 Exhibit 5?
22 A. No.
23 Q. And you don't know what that
24 address represents?
25 A. No, I don't.

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1 was entered into prior to the time you became
2 president, correct?
3 A. Correct.
4 Q. And did Kyle approve the payments
5 made to Lightwave Telemarketing under your
6 watch?
7 A. He never approved them.
8 Q. You caused those payments to be
9 wired without his approval; is that right?
10 A. Yes.
11 Q. The billing for customer service
12 that Lightwave Telemarketing makes to Global
13 Benefits, that is not based upon any actual
14 particular services rendered, but it's based on
15 some kind of an hourly charge; is that right?
16 A. For customer service, you mean?
17 Q. Yes.
18 A. Yes. They get paid by how many
19 customer service reps they have on the phone
20 and for how many hours.
21 Q. And who determines how many
22 customer rep service - strike that.
23 Who determines how many customer
24 reps are on the phone and for how long they
25 will be on the phone?

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1 Q. If I could turn your attention to a
2 series of wires that are reflected starting at
3 the bottom of page 13.
4 There are approximately six wire
5 transfers reflecting Lightwave Telemarketing
6 after the time you became president of Global
7 Benefits, which start at the bottom of page 13
8 and run to the top of page 14 of the tab 3 of
9 the receiver's report.
10 Do you see those transactions?
11 A. Yes.
12 Q. Those were wire transfers that you
13 approved to be paid from Global Benefits to
14 Lightwave Telemarketing, correct?
15 A. Correct.
16 Q. And those wires were for what
17 purpose?
18 A. Those are for customer service.
19 Q. That's the customer service that's
20 done by Contact Concepts?
21 A. Correct.
22 Q. And you pay Lightwave Telemarketing
23 directly, correct?
24 A. Correct.
25 Q. That's pursuant to a contract that

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1 A. I believe they have to have a
2 minimum amount on the phone for a certain
3 amount of hours.
4 Q. What is that based on?
5 A. I don't know what it's based on.
6 I think that's the way it works. I'm not
7 positive, though.
8 Q. You are not sure if that's pursuant
9 to any agreement between Global Benefits and
10 Lightwave, correct?
11 A. It's most likely in the contract.
12 Q. You're guessing?
13 A. Yes.
14 Q. And you have never reviewed that
15 contract, correct?
16 A. I've looked over it quickly once.
17 I couldn't swear to anything that's in it.
18 Q. And the customer service work that
19 you pay Lightwave for is actually done by
20 Contact Concepts?
21 A. Correct.
22 Q. There are four checks at the top of
23 page 13 under tab 3 of the receiver's report,
24 and again, these actually, I think, are wire
25 transfers.

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Michael L. Clerkin, LL.M.

March 19, 2003

Global Benefits
1192 W. Sunset Blvd., #6
St. George, UT 84770

Re: Engagement Letter

Dear Sir or Madam:

Thank you for giving us the opportunity to represent Global Benefits.

We believe that the attorney-client relationship works best when legal fees and payment terms are clearly articulated and understood. Accordingly, this letter explains our standard billing procedures which apply in all client representations unless alternative arrangements have been agreed upon in writing.

Our fees for services may be influenced by a number of factors, including the time required; the level of expertise and skill demanded; the size and difficulty of the assignment; time limitations; and the result obtained. Bills are generally rendered monthly, requesting payment of fees plus reimbursement for costs incurred. The time spent by us and certain administrative personnel will establish the minimum amount of our fees.

Each attorney is assigned an hourly rate which reflects that person's skill, area of expertise and demand in the marketplace. Ms. Weaver and Mr. Amin currently bill at a rate of \$250.00 per hour. Our associates bill at a rate of \$120.00 to \$150.00 per hour, and law clerks bill at \$80.00 per hour. Hourly rates are adjusted from time to time (generally once a year) and may change during the course of the representation.

The costs for which you will be charged include filing fees; telephone, facsimile, overnight mail, messenger and other communication costs; computer research; court reporters, photographers and other professional fees; travel and meal expenses; and other miscellaneous costs. Where possible, we will have vendors bill you directly for such costs or we will send you the bill and request that you pay the vendor directly. Certain costs, such as telephone charges, are sometimes not available until subsequent months, in which case a supplemental bill will be rendered, or an estimated amount may

Δ π EXHIBIT 5
Deponent: <i>Franklin</i>
Date: <i>3/19/03</i>
DEPOSITION

be included in the initial bill and an adjustment made when the actual charges are known.

All bills are payable upon presentation and are considered delinquent if not paid within thirty days of issuance. If a bill is not timely paid, we may cease to render further services or, in the case of a litigation matter, we may petition the court to withdraw as counsel. We reserve the right to apply an added service charge to the unpaid amount of any delinquent bill.

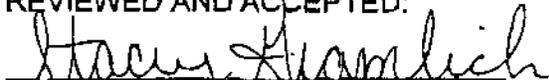
We may require clients to make retainer payments which are credited against fees and costs to be incurred. The retainer payment for Global Benefits is \$1500.00. If the representation is concluded before the retainer is exhausted, we will retain the remaining balance as a credit against future services or refund the balance, as you elect. If the retainer is exhausted, we will determine whether an additional retainer is appropriate or regular monthly billings should commence in accordance with the procedures discussed above.

Although our firm operates on the basis of detailed billing procedures, we believe that our charges for services are highly competitive with comparable firms, and we are confident that you will be satisfied with the quality of service and value you receive. Finally, we want you to know that we are very appreciative of the opportunity to serve you. We will be pleased to discuss the matters in this memorandum, or any other questions you may have, at any time during the course of our representation.

Very truly yours,

WEAVER & AMIN

REVIEWED AND ACCEPTED:


Stacey Gramlich

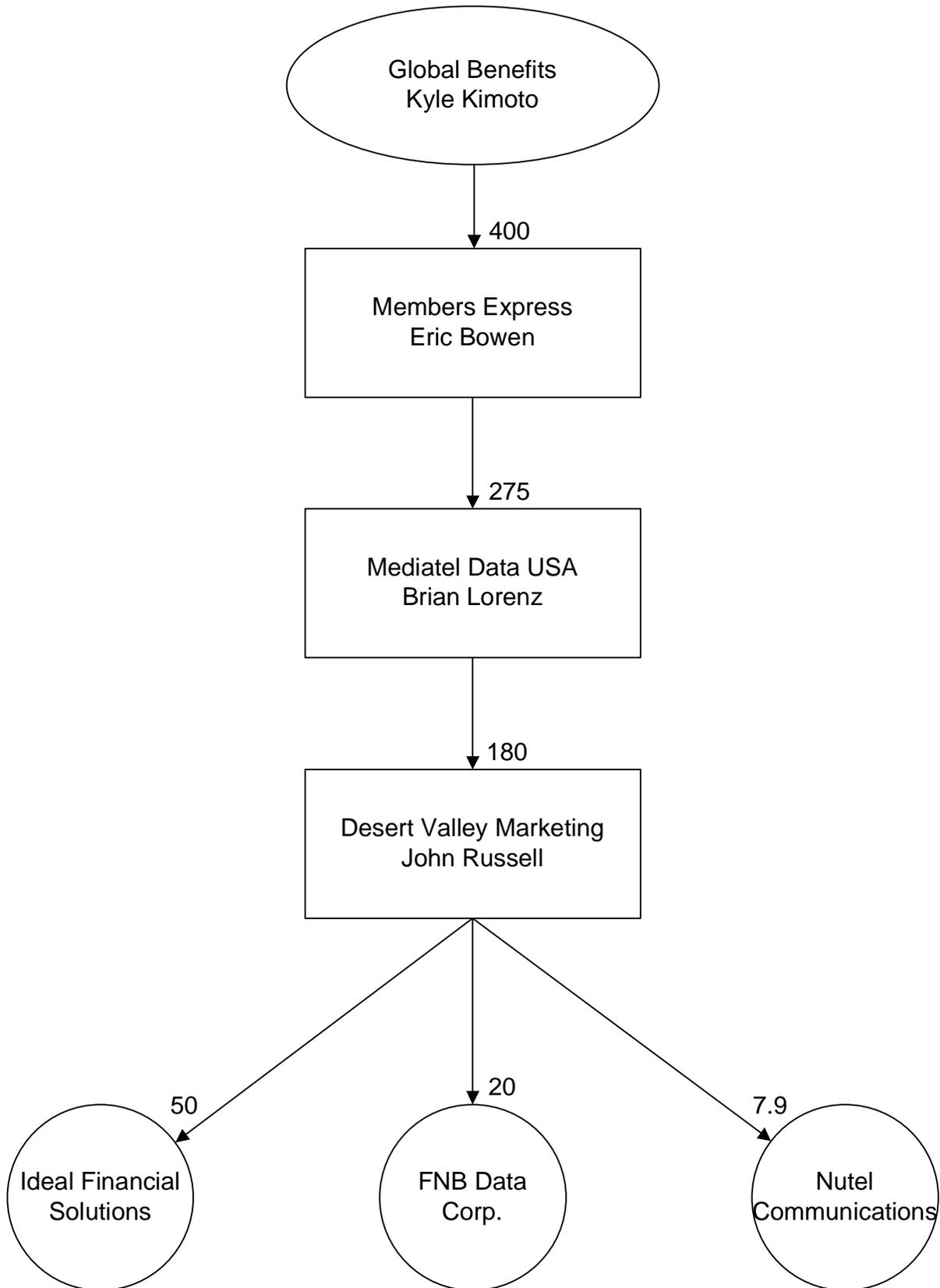
Stacey Gramlich
Print Name

Dated:

3/20/03

Movement of Funds from Global Benefits to Other Entities

(in thousands of dollars)





DEAN HELLER
Secretary of State

202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 6700

**Articles of
Incorporation**
(PURSUANT TO NRS 78)

FILED # C3243-03

FEB 11 2003

IN THE OFFICE OF
The Secretary of State
STATE OF NEVADA

Important: Read attached instructions before completing form.

1. Name of Corporation:	BuyCarsRight.com
2. Resident Agent Name and Street Address: <small>(Name of a resident, natural person who is at least 18 years old)</small>	Name <u>John Russell</u> Name <u>3395 S. Jones Blvd #233 Las Vegas</u> NEVADA <u>89146</u> Street Address City State Zip Code
3. Shares: <small>Number of shares corporation authorized to issue</small>	Number of shares with par value: <u>1 000 0</u> Par value: <u>\$ 1.00</u> Number of shares without par value: <u>0</u>
4. Names, Addresses, Number of Board of Directors/Trustees:	The First Board of Directors/Trustees shall consist of <u>1</u> members whose names and addresses are as follows: 1. <u>John Russell</u> Name <u>3395 S. Jones Blvd #233 Las Vegas NV 89146</u> Street Address City State Zip Code 2. Name _____ Street Address _____ City _____ State _____ Zip Code _____ 3. Name _____ Street Address _____ City _____ State _____ Zip Code _____ 4. Name _____ Street Address _____ City _____ State _____ Zip Code _____
5. Purpose: <small>(Reference instructions)</small>	The purpose of this Corporation shall be: <u>Sell, Buying Instructions</u>
6. Other Matters: <small>(see instructions)</small>	Number of additional pages attached: _____
7. Name, Address and Signature of Incorporator: <small>(Must include street address and city, state and zip code)</small>	Name <u>John Russell</u> Name <u>3395 S. Jones Blvd #233 Las Vegas NV 89146</u> Address City State Zip Code Name _____ Signature _____ Address City State Zip Code
8. Certificate of Appointment of Resident Agent:	I hereby accept appointment as Resident Agent for the above named corporation. _____ <u>02-11-03</u> Authorized Signature of R.A. or On Behalf of R.A. Company Date

This form MUST be accompanied by appropriate fees. See attached fee schedule.

FILED # C3243-03



DEAN HELLER
Secretary of State

202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 5708

**Certificate of
Amendment**
(PURSUANT TO NRS 78.350)

Office Use Only:

FEB 18 2003

IN THE OFFICE OF
DEAN HELLER, SECRETARY OF STATE

Important: Read attached instructions before completing form.

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.380 - Before Issuance of Stock)
- Remit in Duplicate -

1. Name of corporation: Buy Cars Right.Com

2. The articles have been amended as follows (provide article numbers, if available):
Changing name of company to -
DESERT VALLEY MARKETING

3. The undersigned declare that they constitute at least two-thirds of the incorporators (check) or of the board of directors (check)

4. The undersigned affirmatively declare that to the date of this certificate, no stock of the corporation has been issued.

5. Signatures:

[Signature]
Signature

Signature

IMPORTANT: Failure to include any of the above information and remit the proper fees may cause this filing to be rejected.



DEAN HELLER
Secretary of State

252 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 5700

**Certificate of
Amendment**
(PURSUANT TO NRS 78.385 and
78.390)

FILED # C324301

MAR 10 2003

BY THE CLERK OF
Dean Heller
DEAN HELLER, SECRETARY OF STATE

Important: Read attached instructions before completing form.

**Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations**
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)
- Remit in Duplicate -

1. Name of corporation: Desert Valley Marketing

2. The articles have been amended as follows (provide article numbers, if available):

Changed name to
Olympian Group

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation have voted in favor of the amendment is: _____

4. Officer Signature (Required):

Dean Heller

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless of limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and remit the proper fees may cause this filing to be rejected.



DESERT VALLEY MARKETING
3395 S. JONES BLVD., #233
LAS VEGAS, NV 89146-6729

96-72
1224

1062

Date 3-24-03

Pay to the order of

Jetal Financial Group

\$ 50,000

Five Thousand 00/100

Dollars

Bank of America

ACK NIT

For

⑆122400724⑆ 004964809563 1062 ⑈0005000000⑈

NEW TEMPE, AZ 85281
TRACER 2367 608
1221-0527-8
1894452506

NEW SLC, UT 84143
TRACER 2367 608
1221-0147-6
7542782781

For deposit only

BANK OF AMERICA NA LP
122400724 66338 11741
2350171105

Capture Date: 20030331 Sequence #: 2350171105

WELLS FARGO BANK NORTHWEST, N.A.
P.O. BOX 6995
PORTLAND, OR 97228-6995

PAGE 1 of 2

Account Number: 829-4211811
Statement End Date: 03/31/03

IDEAL FINANCIAL SOLUTIONS CORP
1192 W SUNSET BLVD
SAINT GEORGE UT 84770-4837

IF YOU HAVE ANY QUESTIONS ABOUT THIS STATEMENT OR YOUR ACCOUNTS,
CALL: 800-225-5935 (1-800-CALL-WELLS).

YOUR ACCOUNTS AT A GLANCE

ACCOUNT TYPE	ENDING BALANCE
BASIC BUSINESS SERVICES PACKAGE 829-4211811	50,050.00

NEWS FROM WELLS FARGO

EFFECTIVE FEBRUARY 25, 2003, WHEN CALLING THE NATIONAL BUSINESS BANKING CENTER AT 1-800-CALL WELLS (1-800-225-5935) THE AUTOMATED TELEPHONE MENU OPTIONS WILL CHANGE. TO REACH A BUSINESS PHONE BANKER, YOU WILL NEED TO PRESS ZERO (0). TO GO BACK TO A PREVIOUSLY PLAYED MENU YOU WILL NEED TO PRESS THE * KEY.

Need to finance new or used equipment or vehicles for your business? A Wells Fargo Equipment Express loan offers competitive fixed interest rates and flexible terms, with no application costs and no prepayment penalty. Plus, you can use your loan for multiple purchases. Talk with a banker, call 1-800-359-3557 ext. 430 or visit wellsfargospecial.com and enter keyword: eqx4 for more information.

BASIC BUSINESS SERVICES PACKAGE 829-4211811

MAR 20 BEGINNING BALANCE	0.00
TOTAL DEPOSITS/CREDITS	50,100.00
TOTAL WITHDRAWALS/DEBITS	- 50.00
MAR 31 ENDING BALANCE	50,050.00

DEPOSITS AND CREDITS -----

DATE	TRANSACTION DETAIL	AMOUNT
MAR 21	DEPOSIT	100.00
MAR 27	DEPOSIT	50,000.00

WITHDRAWALS AND DEBITS -----

DATE	TRANSACTION DETAIL	AMOUNT
MAR 27	WITHDRAWAL MADE IN A BRANCH/STORE	- 50.00

DAILY BALANCE SUMMARY -----

DATE	BALANCE	DATE	BALANCE
MAR 21	100.00	MAR 27	50,050.00

CONTINUED ON NEXT PAGE



NuTel Technologies
47 NORTH 100 EAST
ST GEORGE
(435) 673-7400

UT 84770

Invoice

Date: May 14, 2003
Number: 17277
Terms: Due On Receipt
Account: DESERT VLY M

Bill To:

TASHA SWENSON
DESERT VALLEY MARKETING
1192 W SUNSET BLVD STE 8
ST. GEORGE

UT 84770

Site Location:

TASHA SWENSON
DESERT VALLEY MARKETING
1192 W SUNSET BLVD STE 8
ST. GEORGE

UT 84770

Order #	Customer	Order Date	Order By
6845	DAVE	05/14/2003	NANCY

COMMENTS:
9 AM 2 PM SAT

Materials:	\$6,184.16
Labor:	\$1,380.00
Travel:	\$0.00
Other Charges:	\$0.00
Sales Tax:	\$386.51
Additional Tax:	\$0.00

Total Amt Due: \$7,930.67