

FURTHER AFFIANT SAYETH NOT.

Dated this 6th day of May, 2002.

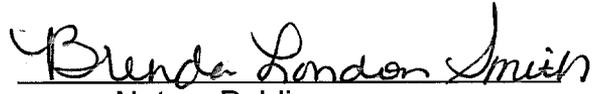
(SEAL)



Irving L. Faught
Administrator

Subscribed and sworn to before me this 6th day of May, 2002.

(NOTARY SEAL)

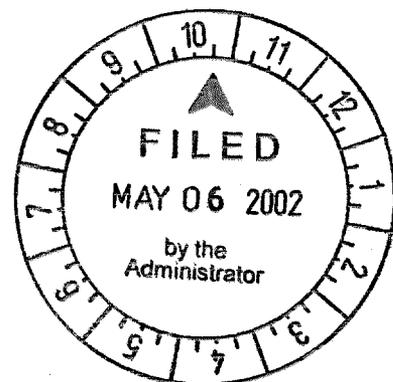


Brenda London Smith
Notary Public

My Commission Expires:

August 26, 2005

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



In the Matter of:

B & B Worm Farm, Greg Bradley and
Lynn Bradley,

Respondents.

File No. ODS 01-122

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 813 of the Oklahoma Business Opportunity Sales Act (Act), Okla. Stat. tit. 71, §§ 801-829 (1991 & Supp. 1999), the Administrator of the Oklahoma Department of Securities (Department) authorized an investigation into the activities of B & B Worm Farm, Greg Bradley and Lynn Bradley in connection with the offer and/or sale of business opportunities in and/or from the state of Oklahoma.

2. On the 1st day of May, 2002, the attached Recommendation to Issue an Order to Cease and Desist (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 814.B of the Act, the Administrator hereby gives notice to B & B Worm Farm, Greg Bradley and Lynn Bradley of their right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The request for a hearing on the Recommendation must be received by the Administrator within fifteen (15) days after service of this Notice. Pursuant to Section 814.B of the Act, failure to request a hearing as provided for herein shall result in the issuance of an order to cease and desist against B & B Worm Farm, Greg Bradley and Lynn Bradley.

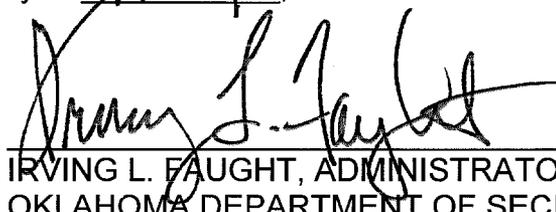
5. The request for hearing shall be in writing and B & B Worm Farm, Greg Bradley and Lynn Bradley shall admit or deny each allegation in said request as required by 660:2-9-1(c) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on this Notice shall be set within sixty (60) days or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to B & B Worm Farm, Greg Bradley and Lynn Bradley not less than ten (10) days in advance thereof pursuant to 660:2-9-3(a) of the Rules. Additionally, the notice may contain matters to supplement this Notice and the Recommendation attached hereto.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 6th day of May, 2002.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 6th day of May, 2002, a true and correct copy of the above and foregoing Notice of Opportunity for Hearing and attached Recommendation to Issue an Order to Cease and Desist was mailed by certified mail, return receipt requested, delivery restricted to addressee, with postage prepaid thereon addressed to:

B & B Worm Farm
Rt. 1. Box 163B
Meeker, OK 74855

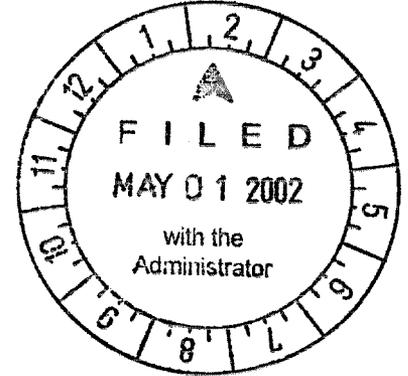
Greg Bradley
Rt. 1. Box 163B
Meeker, OK 74855

Lynn Bradley
Rt. 1. Box 163B
Meeker, OK 74855



Brenda London Smith
Paralegal

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



In the Matter of:

B & B Worm Farm, Greg Bradley and
Lynn Bradley,

Respondents.

File No. ODS 01-122

RECOMMENDATION
TO ISSUE AN ORDER TO CEASE AND DESIST

Pursuant to the Oklahoma Business Opportunity Sales Act (Act), Okla. Stat., tit. 71, §§ 801-829 (1991 & Supp. 1999), an investigation was conducted into the activities of B & B Worm Farm, Greg Bradley and Lynn Bradley (collectively, the "Respondents") in connection with the offer and/or sale of business opportunities in and/or from the state of Oklahoma. Based thereon, the following Findings of Fact, Authorities and Conclusions of Law are submitted to the Administrator, or his designee, in support of the issuance of an order to cease and desist against B & B Worm Farm, Greg Bradley and Lynn Bradley.

Findings of Fact

1. The B & B Worm Farm is a company that, at all times relevant hereto, was located in Meeker, Oklahoma, and was doing business in the state of Oklahoma.
2. The B & B Worm Farm is owned by Greg Bradley and Lynn Bradley.
3. S. (Smith) is an individual who, at all times relevant hereto, was an Arkansas resident.
4. L. Lasiter (Lasiter) is an individual who, at all times relevant hereto, was an Oklahoma resident.
5. On March 7, 2000, Smith entered into a contract with B & B Worm Farm (Purchase Contract) wherein Smith paid Four Thousand Dollars (\$4,000.00) for the purchase of approximately 100,000 breeder worms. The contract would be in effect for a period of four (4) years.

6. On October 18, 2000, Lasiter entered into a Purchase Contract with B & B Worm Farm wherein Lasiter paid Twelve Thousand Four Hundred Dollars (\$12,400.00) for the purchase of approximately 400,000 breeder worms. Lasiter also paid One Thousand Five Hundred Dollars (\$1,500.00) for harvesting equipment. The contract would be in effect for a period of six (6) years.
7. The Purchase Contracts further provided that Respondents would buy back a minimum of 100 pounds of worms per month at a price of no less than Seven Dollars (\$7.00) per pound for the term of the contract.
8. Respondents told Smith that 10 – 15 worm beds could generate Ten Thousand Dollars (\$10,000.00) monthly income, and that 30 - 40 pounds of worms could be harvested from a 2x2x8 foot bed. Respondents did not tell Smith that it would be 6-9 months before any worms could be harvested.
9. At the direction of Respondents, Lasiter prepared 16X30 gallon plastic bins to accept delivery of 400,000 worms. Lasiter followed all of Respondents' instructions in the care and the harvesting of the worms.
10. Respondents told Lasiter that he should be able to harvest approximately 2,000 pounds of worms every 60-90 days and that at a purchase price of Eight Dollars (\$8.00) per pound, Lasiter would make Sixteen Thousand Dollars (\$16,000.00).
11. On July 9, 2001, Lasiter delivered his harvested worms to Respondents and was told that he had 6.4 pounds of worms for which Lasiter was paid a total of Fifty-one Dollars and 20/100 (\$51.20).
12. The Purchase Contracts described above are not registered under the Act.

Authorities

1. Section 802 of the Act provides in pertinent part:

* * *

3.a. "*Business opportunity*" means a contract or agreement, between a seller and purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any products, equipment, supplies or services enabling the purchaser to start a business and the seller represents directly or indirectly, orally or in writing, that:

* * *

(3) The seller or a person specified by the seller will purchase any or all products made, produced, fabricated,

grown, bred or modified by the purchaser[.]

* * *

(12) "Seller" means a person who sells or offers to sell a business opportunity or any agent or person who directly or indirectly acts on behalf of such person.

2. Section 806 of the Act provides:

It is unlawful for any person to offer or sell any business opportunity, as defined in Section 802 of this title, in this state unless the business opportunity is registered under the provisions of the Oklahoma Business Opportunity Sales Act or is exempt under Section 803 of this title.

3. Section 814 of the Act provides in pertinent part:

A. Whenever it appears to the Administrator that any person has engaged in or is about to engage in any act or practice constituting a violation of any provision of the Oklahoma Business Opportunity Sales Act or any rule or order hereunder, the Administrator may:

1. Issue an order directing each person to cease and desist from continuing the act or practice and/or issue an order imposing a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or transaction or of Fifty Thousand Dollars (\$50,000.00) for multiple violations or transactions in a single proceeding or a series of related proceedings[.]

4. Section 818 of the Act provides in pertinent part:

A. The provisions of the Oklahoma Business Opportunity Sales Act concerning sales and offers to sell apply to persons who sell or offer to sell when:

1. An offer to sell is made in this state[.]

* * *

B. For the purpose of this section, an offer to sell is made in this state, whether or not either party is then present in this state, when:

1. The offer originates from this state; or

2. The offer is directed by the offeror to this state and received at the place to which it is directed or at any post office in this state in the case of a mailed offer.

C. For the purpose of this section, an offer to sell is accepted in this state when acceptance:

1. Is communicated to the offeror in this state; and

2. Has not previously been communicated to the offeror, orally or in writing, outside this state; and acceptance is communicated to the offeror in this state, whether or not either party is then present in this state when the offeree directs it to the offeror in this state reasonably believing the offeror to be in this state and it is received at the place to which it is directed or at any post office in this state in the case of a mailed acceptance.

5. Section 819 of the Act provides:

It is unlawful for any person, in connection with the offer or sale of any business opportunity in this state, directly or indirectly:

* * *

2. To make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or

3. To engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

Conclusions of Law

1. The Purchase Contracts are business opportunities.

2. Respondents offered and/or sold a business opportunity in the state of Oklahoma.

3. The offer and sale of the Purchase Contracts by Respondents without registration under the Act is a violation of Section 806 of the Act.

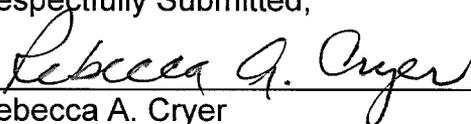
4. In connection with the offer and sale of a business opportunity,

Respondents made untrue statements of material facts and/or omitted to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of Section 819 of the Act.

WHEREFORE, it is recommended that the Administrator issue an order to cease and desist from the offer and sale of business opportunities in violation of Sections 806 and 819 of the Act against B & B Worm Farm, Greg Bradley and Lynn Bradley.

Dated this 1st day of May, 2002.

Respectfully Submitted,



Rebecca A. Cryer
Enforcement Attorney
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102