

**IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA**

Oklahoma Department of Securities	)	
<u>ex rel.</u> Irving L. Faught,	)	
Administrator,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. CJ-2004-6295
	)	
Trade Partners, Inc., a Michigan corporation; et al.	)	
	)	
Defendants.	)	

**CITATION OF CONTEMPT AGAINST EDDIE ELKINS**

To:           **EDDIE ELKINS**  
                  **1300 Larchmont**  
                  **Oklahoma City, Oklahoma 73116**

Plaintiff has filed an application that claims you failed to comply with the *Temporary Restraining Order, Order Freezing Assets and Order For Accounting* ("Order") made and entered on the 2nd day of August, 2004, by offering and/or selling securities in and/or from this state and transacting business in this state as a broker-dealer or agent.

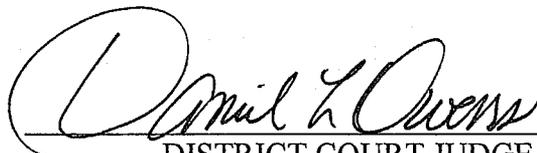
Plaintiff's application also claims you failed to comply with the Order by failing to deliver to Plaintiff the identity of any and all bank accounts to which any deposit(s) were made of funds obtained in connection with offers and sales of the TPI Viatical Investment Contracts, the TPI Notes, the Sojkara Notes and the IWM Notes and Stock.

Plaintiff's application claims you failed to comply with the Order by failing to deliver the required accounting to Plaintiff.

Plaintiff's application finally claims you failed to comply with the *Second Amendment to Temporary Restraining Order* ("Second Modified Order"), by engaging in the transfer of assets outside the ordinary course of business including, but not limited to, withdrawals of cash, the purchase of at least one vehicle, and the sale of real property located at 12401 North May Avenue, Oklahoma City, Oklahoma, on January 31, 2006, for Nine Hundred Fifty Thousand Dollars (\$950,000).

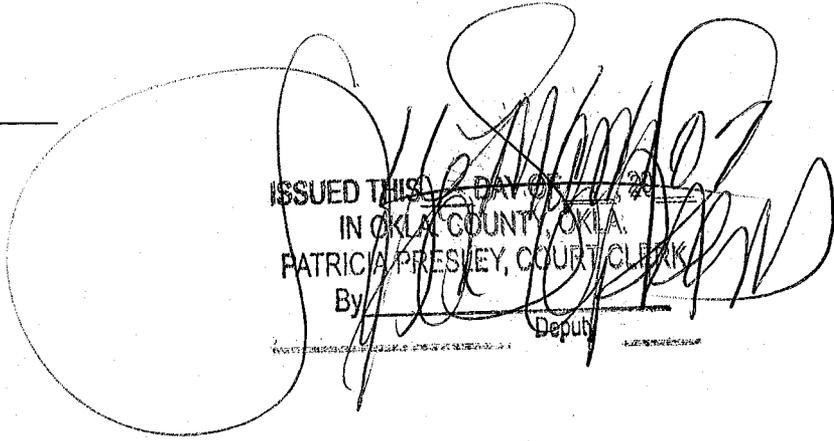
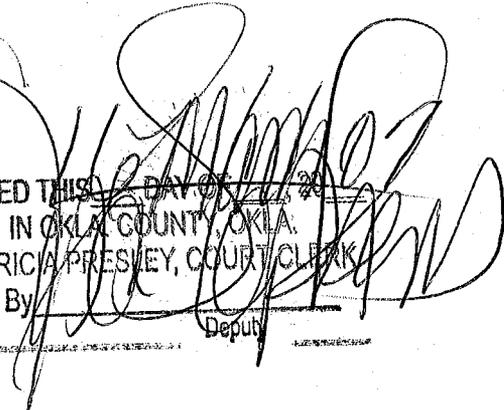
YOU ARE THEREFORE COMMANDED TO APPEAR before this Court on the 3<sup>rd</sup> day of May, 2007, at 9:00a.m. and show cause why you should not be punished for contempt of court.

DATED this 16<sup>th</sup> day of March, 2007.

  
DISTRICT COURT JUDGE

Approved:

  
Patricia A. Labarthe, OBA# 10391  
Oklahoma Department of Securities  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102  
(405) 280-7700

  
ISSUED THIS 16 DAY OF MARCH, 2007  
IN OKLAHOMA COUNTY, OKLA.  
PATRICIA PRESLEY, COURT CLERK  
By   
Deputy

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 16th day of March, 2007, a true and correct copy of the foregoing was mailed by first class mail with postage prepaid thereon addressed to:

Kirk D. Fredrickson  
McDonald & Fredrickson, P.C.  
24 West Park Place  
Oklahoma City, OK 73103

Bruce S. Kramer  
Borod & Kramer, P.C.  
80 Monroe Avenue, Suite G-1  
Memphis, TN 38103

Patricia C. Lantieri

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

FILED IN THE DISTRICT COURT  
OKLAHOMA COUNTY, OKLA.

Oklahoma Department of Securities )  
*ex rel.* Irving L. Faught, )  
Administrator, )  
 )  
Plaintiff, )  
 )  
v. )  
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Trade Partners, Inc., a Michigan corporation; *et al.*, )  
 )  
Defendants. )

MAR 16 2007

PATRICIA PRESLEY, COURT CLERK

by DEPUY

Case No. CJ-2004-6295

**APPLICATION FOR CITATION OF INDIRECT CONTEMPT  
AGAINST EDDIE ELKINS**

Plaintiff, Oklahoma Department of Securities (“Department”) *ex rel.* Irving L. Faught, Administrator, hereby charges and accuses Defendant Eddie Elkins (“Elkins”) of having knowingly, willfully and contemptuously disobeyed and violated this Court’s lawfully issued *Temporary Restraining Order, Order Freezing Assets and Order For Accounting* (“Order”) and *Second Amendment to Temporary Restraining Order* (“Second Modified Order”). *See Exhibits A and B.* The Department alleges and states:

1. On August 2, 2004, the Department filed a *Petition for Permanent Injunction and Other Equitable Relief* against Elkins and his company, Elkins & Associates Inc., pursuant to Section 406.1 of the Oklahoma Securities Act (“Act”), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 & Supp. 2002). The Department alleged that Elkins violated the Act by illegally offering and selling unregistered securities in the nature of:

- a. interests in the death benefits of one or more viatical settlement contracts;
- b. promissory notes secured by interests in viatical settlement contracts;

- c. promissory notes secured by interests in an international multi-million dollar telecommunications company; and
- d. promissory notes and stock in a wastewater treatment company.

The Department also alleged that Elkins was not registered to sell securities and that he engaged in fraud in connection with the offer and sales of the securities.

2. On August 2, 2004, this Court entered the Order restraining Elkins from "offering and/or selling any security in and/or from this state" and from "transacting business in this state as a broker-dealer or agent."

3. The Order provided:

IT IS FURTHER ORDERED that pending determination of the motion for temporary injunction, the assets of Defendants Elkins & Associates Inc., Heartland Viaticals, Inc., Eddie Elkins, and James S. Stanley be, and hereby are, frozen.

4. The Order also provided:

IT IS FURTHER ORDERED that Defendants, their subsidiaries, affiliates, officers, directors, agents, servants, employees, attorneys, and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them deliver over to the Department within ten (10) days from the date of this order, the identity of any and all bank accounts to which any deposit(s) were made of funds obtained in connection with offers and sales of the TPI [Trade Partners, Inc.] Viatical Investment Contracts, the LLC [TPI limited liability companies] Interests, the TPI Notes, the Sojkara [Sojkara, L.L.C.] Notes and the IWM [InterGlobal Waste Management, Inc.] Notes and Stock.

5. The Order further provided:

IT IS FURTHER ORDERED that Defendants file with this Court and serve on the Plaintiff an accounting, under oath, detailing all of their assets and detailing all funds received from Investors and the disposition and/or use of those funds received pursuant to the offers and/or sales of the TPI Viatical Investment Contracts, the LLC Interests, the TPI Notes, the Sojkara Notes and the IWM Notes and Stock described in the Plaintiff's Petition. This accounting shall include, but not be limited to, the total amount received from Investors, the name and address of each Investor, the

amount invested, the date each such investment was made, and a listing of all expenditures showing the amount and to whom paid and the date of payment. This accounting shall be submitted to this Court and served upon Plaintiff within ten (10) days from the date of entry of this Order.

6. On August 4, 2004, the Order was modified at the request of Elkins and Elkins & Associates Inc. (collectively, "Defendants"), and by agreement of the parties, to allow Defendants to utilize funds held in specified accounts for specific expenses ("*First Amendment to Temporary Restraining Order*"). See *Exhibit C*. On September 20, 2004, the Second Modified Order was issued at the request of Defendants, and by agreement of the parties, to allow Defendants to utilize funds held in specified accounts in the ordinary course of business of Defendants. See *Exhibit B*. The Second Modified Order enjoined Defendants from making or permitting any transfer of money or property held by the Defendants that was not in the ordinary course of business of the Defendants unless authorized in writing by Plaintiff. Since the entry of the September 20, 2004 modification, Plaintiff has never received a request for such authorization.

#### COUNT ONE: CONTEMPT OF ORDER BY OFFER AND SALE OF SECURITIES

7. Following this Court's issuance of the Order and in complete contempt of that Order, Elkins offered and/or sold interests in mineral claims issued by Earthly Mineral Solutions, Inc., a Nevada corporation (EMS Mineral Claim Interests), to Oklahoma residents (EMS Investors). Elkins received commissions from the sales of the EMS Mineral Claim Interests through Big Boys Investment, L.L.C., an entity owned and controlled by Elkins and another individual (Big Boys Investments). The EMS Mineral Claim Interests were not registered under the Act.

8. Following this Court's issuance of the Order and in complete contempt of that Order, Elkins, in connection with the offer and/or sale of the EMS Mineral Claim Interests, offered and/or sold, to the EMS Investors, a "right of first refusal" contracts (Right of First Refusal Contracts), allowing an affiliate of EMS, Natural Mineral Processing Company, to extract minerals from the land subject to the EMS Mineral Claim Interests and, in return, pay to the EMS Investors, seven percent (7%) per annum of the purchase price of the EMS Mineral Claim Interests for a period of five years.

9. Following this Court's issuance of the Order and in complete contempt of that Order, Elkins offered and/or sold securities described as lease and advertising revenue assignments (Monarch Revenue Assignments) issued by Monarch Visual Solutions, Inc., an Illinois corporation, to Oklahoma residents (Monarch Investors). Monarch Visual Solutions, Inc. is allegedly in the business of placing electronic advertising displays in grocery stores. Elkins received commissions from the sales of the Monarch Revenue Assignments through Big Boys Investments. The Monarch Revenue Assignments were not registered under the Act.

#### COUNT TWO: CONTEMPT OF ORDER BY TRANSACTING BUSINESS AS AN AGENT

10. Following this Court's issuance of the Order and in complete contempt of that Order, Elkins offered and sold EMS Mineral Claim Interests and/or Right of First Refusal Contracts, to EMS Investors. Elkins received commissions from the sales of the EMS Mineral Claim Interests and/or the Right of First Refusal Contracts through Big Boys Investments.

11. Following this Court's issuance of the Order and in complete contempt of that Order, Elkins offered and/or sold Monarch Revenue Assignments issued by Monarch Visual Solutions, Inc., an Illinois corporation, to Monarch Investors. Elkins received commissions from the sales of the Monarch Revenue Assignments through Big Boys Investments.

12. Following this Court's issuance of the Order and in complete contempt of that Order, Elkins, by virtue of his activities in this state in effecting or attempting to effect transactions in securities, acted as an agent under the Act.

COUNT THREE: CONTEMPT OF ORDER BY FAILING TO DELIVER DEPOSIT INFORMATION

13. Following this Court's issuance of the Order, and in complete contempt of that Order, Elkins never delivered to Plaintiff the identity of any and all bank accounts to which any deposit(s) were made of funds obtained in connection with offers and sales of the TPI Viatical Investment Contracts, the TPI Notes, the Sojkara Notes and the IWM Notes and Stock. For the purpose of partially lifting the freeze of his bank accounts, Elkins did submit to Plaintiff, on two occasions, lists of "Open Bank Account Obligations," that included references to certain banks and names of accounts. However, Elkins never identified to which bank accounts any deposits were made of funds obtained in connection with the specified offers and sales. *See Exhibits D and E.*

COUNT FOUR: CONTEMPT OF ORDER BY FAILING TO DELIVER ACCOUNTING

14. Following this Court's issuance of the Order, and in complete contempt of that Order, Elkins never delivered the required accounting to Plaintiff. After numerous requests, Elkins did provide a list entitled "Trade Partners Participants, Trade Partners Inc-Investors." However, Plaintiff was not able to reconcile the list with a list provided by the Receiver for Trade Partners, Inc. Plaintiff prepared a schedule of discrepancies that was provided to Elkins in August, 2005, but Elkins has never provided a response.

COUNT FIVE: CONTEMPT OF SECOND MODIFIED ORDER  
BY TRANSFER OF ASSETS

15. Following this Court's issuance of the Second Modified Order and in complete contempt of that Second Modified Order, Elkins transferred assets outside the ordinary course of business including, but not limited to, withdrawals of cash, the purchase of at least one vehicle, and the sale of real property located at 12401 North May Avenue, Oklahoma City, Oklahoma, on January 31, 2006, for Nine Hundred Fifty Thousand Dollars (\$950,000).

CONCLUSION

The conduct described herein constitutes violations of this Court's Order and Second Modified Order, and constitutes indirect contempt of the Court.

Wherefore, the Department requests that this Court issue a citation directing Elkins to appear and show cause why he should not be held in contempt and, after a full and complete hearing, that Elkins be adjudged guilty of indirect contempt for failure to comply with the Order and Second Modified Order entered by this Court, and punished by the maximum fine or imprisonment for each count of contempt, or both, and/or by and through such other relief as this Court deems appropriate. The Department requests that Elkins be required to post a cash bond if a jury trial is demanded.

Respectfully Submitted,

OKLAHOMA DEPARTMENT OF SECURITIES  
IRVING L. FAUGHT, ADMINISTRATOR

By:

  
Patricia A. Labarthe, OBA# 10391  
Oklahoma Department of Securities  
120 North Robinson, Suite 860  
Oklahoma City, Oklahoma 73102  
Telephone (405) 280-7735  
Fax (405) 280-7742

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 16th day of March, 2007, a true and correct copy of the foregoing was mailed by first class mail with postage prepaid thereon addressed to:

Kirk D. Fredrickson  
McDonald & Fredrickson, P.C.  
24 West Park Place  
Oklahoma City, OK 73103

Bruce S. Kramer  
Borod & Kramer, P.C.  
80 Monroe Avenue, Suite G-1  
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Patricia A. Lantz