

**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

**TO: Aram Maissian, President, and Chief Executive Officer
Paul Costa, Vice-President and Chief Financial Officer
Joseph J. Asparro, Vice-President and Chief Operating Officer
Frank Gale, Executive Vice President
Dawn Lillie
Earth Group International
3960 Howard Hughes Parkway, 5th Floor
Las Vegas, Nevada 89109**

DESIST AND REFRAIN ORDER

The California Corporations Commissioner finds that:

- 1. At all relevant times: Aram Maissian (Maissian), President, and Chief Executive Officer, Paul Costa (Costa), Vice-President and Chief Financial Officer, Joseph J. Asparro (Asparro), Vice-President and Chief Operating Officer, Frank Gale (Gale), Executive Vice President and Dawn Lillie (Lillie); were, and continue to be principals, officers, directors and/or employees of “Earth Group International”. Earth Group International is a business of unknown origin and is located at 390 Howard Hughes Parkway, 5th Floor, Las Vegas, Nevada 89109.**
- 2. Beginning in or about January of 2001, Maissian, Costa, Asparro, Gale and Lillie were directly or indirectly involved with soliciting investment opportunities in the form of promissory notes in Earth Group International through unsolicited telephone calls and mailings to California residents.**
- 3. Maissian, Costa, Asparro, Gale and Lillie were each involved in the advertisement, solicitation and distribution of offering materials for investments in Earth Group International.**
- 4. Earth Group International claims its primary business function is to market and distribute environmentally safe waste management systems. The money contributed by investors through the sale of promissory notes in Earth Group International was going to be used to further the primary business function of Earth Group International.**
- 5. The promissory notes offered and sold by Earth Group International are securities under California law. These securities were offered and sold in California in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this State.**

6. The offer and sale of promissory notes by Earth Group International to California residents, having been offered and sold through unsolicited telephone calls and mailings are not subject to any exemption from qualification. The sale of such securities are subject to qualification under said law and such securities are being or have been offered for sale without first being so qualified.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the promissory notes offered and sold by Maissian, Costa, Asparro, Gale and Lillie in Earth Group International are securities subject to qualification under the California Corporate Securities Law of 1968 and are being or have been offered or sold without being qualified, in violation of Section 25110 of the Corporate Securities Law of 1968.

Pursuant to Section 25532 of the Corporate Securities Law of 1968, Aram Maissian, Paul Costa, Joseph J. Asparro, Frank Gale, Dawn Lillie and Earth Group International are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, in the form of promissory notes in Earth Group International, unless and until qualification has been made under said law or unless exempt. This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

**Dated: October 9, 2002
Los Angeles, California**

**DEMETRIOS A. BOUTRIS
California Corporations Commissioner**

**By _____
ALAN S. WEINGER
Supervising Counsel
Enforcement and Legal Services Division**