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

TO: Damon George
CRD #4075574
c/o Veritrust Financial
1337 Howe Avenue #230
Sacramento, CA 95825

Easy Street Financial Group, Inc.
1329 Howe Avenue #205
Sacramento, CA 95825

Randall Keith Ward ("Randy Ward")
CRD # 4137944
Insurance license number 0D29150
c/o Veritrust Financial
1337 Howe Avenue #230
Sacramento, CA 95825

Christopher E. Marx
9949 West Bell Road, Suite 202
Sun City, AZ 85351

Easy Street Financial Group, Inc.
9949 West Bell Road, Suite 202
Sun City, AZ 85351

DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Advertisements have recently been appearing in the Sacramento Bee newspaper in the name of Easy Street Financial Group, 1329 Howe Avenue, Suite #205, Sacramento,

1 CA 95825. The advertisements offer "FDIC Insured Bank CD's" at yields higher than those
2 actually available on FDIC-insured CD's. An advertisement which appeared on Sunday,
3 March 9, 2003 set forth a rate of 6.01%. An advertisement which appeared on Sunday,
4 March 16, 2003 set forth a rate of 4.85%. The advertisements state that the CD's have a
5 fixed term of six months, a fixed rate, and no fees. Both advertisements state that "Yield
6 reflects a bonus."
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8 2. Both advertisements contain the license number 0D29150 across the bottom.
9 That number is the insurance license number of life agent Randy Keith Ward. In addition to
10 being a licensed California insurance agent, Randy Keith Ward is a registered
11 representative for Veritrust Financial a licensed broker-dealer. Ward's CRD number is
12 4137944 and his business address of record with the National Association of Securities
13 Dealers is 1337 Howe Avenue, Suite 230, Sacramento, California 95825.
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15 3. Easy Street Financial Group, Inc. is an Arizona corporation with its business
16 address at 9949 W. Bell Rd, # 202 in Sun City, Arizona. The principal of Easy Street
17 Financial Group, Inc. is Christopher E. Marx. According to a filing with the California
18 Secretary of State, the registered office of East Street Financial Group, Inc. in California is
19 1337 Howe Avenue #230, Sacramento, CA 95825. The registered agent of Easy Street
20 Financial Group, Inc. in California is Randy Ward.
21

22 4. A caller contacted Easy Street Financial Group on March 10, 2003 at the phone
23 number listed in its newspaper (916-564-5524) in order to seek information about the
24 certificates of deposit (CD's) offered in the advertisement. The caller was referred to
25 Damon George ("George"), who informed him that Easy Street was offering two programs.
26 One was the entry level CD mentioned in the ad. George said that the CD was in the
27 amount of \$1,000 and that it would pay the advertised yield on a six-month term. He said
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1 that the second program was for a minimum of \$10,000 and a little longer term. When
2 asked if the second program was a CD, George said that it would involve splitting the
3 invested funds between a CD and an annuity. When asked if the annuity portion of the
4 second program was FDIC-insured, George said that it was backed by the state of
5 California's legal reserve system. George said that protection by the California legal reserve
6 system was better than FDIC insurance because if "the bank" went out of business the FDIC
7 could take up to twenty years to repay the account. George said that the legal reserve
8 system put 103% of the money aside to back the product.

9
10 5. The caller subsequently received a letter from George which identified him as an
11 "Account Executive" for Easy Street Financial Group, Inc. Enclosed with the letter was a
12 business card which included the terms "Senior Retirement Advisors" and "Stock Market
13 Recovery Specialists."

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15 6. The caller contacted George for more information on March 14, 2003. The caller
16 asked whether the "program one" CD was really paying 6% since that seemed awfully high.
17 George said that "the bank" did not pay a rate that high. Rather, Easy Street paid the
18 difference between the actual CD rate and the advertised CD rate of 6%. George said the
19 difference was called bonus dollars. George said that Easy Street has a Bank of America
20 checking account and would pay the bonus dollars from that account. The caller asked if
21 payment of Easy Street's bonus dollars was guaranteed. George responded that the FDIC
22 would only guarantee principal anyway.

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24 7. The Department of Corporations has not issued a permit or other form of
25 qualification authorizing any person to offer and sell securities of Easy Street Financial
26 Group in this state.

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8. Easy Steet Financial is not an FDIC-insured institution.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that Easy Street Financial Group, its principal Christopher E. Marx, and its agents Damon George and Randall Keith Ward have engaged in and are engaging in offers to sell securities in the State of California, consisting of purported FDIC-insured certificates of deposit with yields higher than those offered by commercial FDIC-insured institutions, without the transactions first having been qualified under the California Corporate Securities Law of 1968, in violation of section 25110 of the Corporations Code.

Further, the California Corporations Commissioner is of the opinion that the certificates of deposit have been and are being offered by means of written and oral communications which include untrue statements of material fact or omit to state facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

Pursuant to section 25532 of the Corporate Securities Law of 1968, Easy Street Financial Group, Inc., Christopher E. Marx, Damon George and Randall Keith Ward are hereby ordered to desist and refrain from further offers or sales of securities in the form of certificates of deposit whose yield includes a "bonus" paid by a non-FDIC-insured entity unless and until qualification has been made. This Order is necessary, in the public interest,

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for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: April 3, 2003
Sacramento, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By _____
VIRGINIA JO DUNLAP
Assistant Commissioner