

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

TO: James R. Wheeler, President
Matthew J. Basson, Officer
Jack H. Aintablian, Salesperson
Universal Alliance, Inc.

2625 Temple Heights Drive
Oceanside, CA 92056

DESIST AND REFRAIN ORDER

(For violations of California Corporations Code section 25110)

The California Corporations Commissioner finds that:

1. At all relevant times: James R. Wheeler, President; Matthew J. Basson, Officer; Jack H. Aintablian, Salesperson; were, or continue to be principals, officers, directors and/or employees of Universal Alliance, Inc. Universal Alliance, Inc. is a business entity of unknown origin and is, or has been, located at 2625 Temple Heights Drive, Oceanside, CA 92056.
2. Beginning in or about April 2000, Wheeler, Basson and Aintablian were directly or indirectly involved with soliciting investment opportunities in the form of shares of stock in Universal Alliance, Inc. after employing at least one salesperson to approach California residents.
3. Wheeler, Basson and Aintablian were each involved in the offer and sale of securities in the form of shares of stock in Universal Alliance, Inc.
4. Universal Alliance, Inc.'s primary business function, as represented to investors, was to market and operate an internet website that sold various gifts. The money contributed by investors through the sale of shares of stock in Universal Alliance, Inc. was going to be used to accomplish the marketing and operation of this website. Investors were also told that the company was going public and would soon be listed on the New York Stock Exchange.
5. These shares of stock offered and sold in Universal Alliance, Inc. 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 shares of stock in Universal Alliance, Inc. to California residents, 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.

