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BEFORE THE ARIZONA CORPORATION COMMISSION
DOCKETED

JIM IRVIN
Commissioner-Chairman
TONY WEST
Commissioner
CARL J. KUNASEK
Commissioner

MAY 13 1999

DOCKETED BY *sd*

In the matter of)
KENT K. BULLOCK)
2240 S. DATE CIRCLE)
MESA, AZ 85210)
(CRD No. 1590251),)
Respondent.)

DOCKET NO. S-03323A-99-0000

DECISION NO. 61720

ORDER OF RELIEF AND
CONSENT TO SAME

I.

INTRODUCTION

KENT K. BULLOCK ("BULLOCK") elects to permanently waive his right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona (the "Act") with respect to this Order of Relief and Consent to Same (the "Order"). BULLOCK admits to the jurisdiction of the Arizona Corporation Commission (the "Commission"), admits the Findings of Fact and Conclusions of Law contained in this Order, and consents to entry of this Order by the Commission.

II.

FINDINGS OF FACT

1. BULLOCK has been registered with the Commission as a securities salesman from on or about March 18, 1988. He has been associated with World Marketing Alliance Securities ("WMAS"), a registered dealer, from on or about June 6, 1994, through the present.

1 2. In September 1996, BULLOCK attended a meeting held by Viaticum, Ltd. ("Viaticum"),
2 in which he learned about viatical policies being offered by Viaticum. A viatical settlement consists of
3 the payment of money by an investor in return for being assigned some portion of the death benefit of
4 one or more life insurance policies of terminally ill persons. Under Viaticum's investment program, the
5 investor paid Viaticum a sum of money and Viaticum agreed to locate one or more life insurance policies
6 whose death benefits would provide the investors with a specified rate of return. Viaticum was
7 responsible for the purchase of the policies, having the investor irrevocably named as a beneficiary,
8 paying all premiums and collecting the death benefit to be paid the investor. The investor's participation
9 in the investment, other than the receipt of death benefit payments, would terminate upon the payment of
10 money to Viaticum.
11

12 3. Later in September 1998, BULLOCK held a meeting with an Arizona investor in which
13 he offered an investment the viatical program offered by Viaticum. Another WMAS salesman attended
14 that meeting. At that time, the investor did not purchase the policy, although she did invest in other
15 securities suggested by BULLOCK.
16

17 4. On October 25, 1996, BULLOCK held another meeting with the investor at which time
18 he sold her a viatical investment for a total of \$5,000.00.

19 5. BULLOCK did not receive prior written approval from WMAS before offering or selling
20 the viatical policy to the investor.

21 6. The viatical policies were not and have never been registered securities with the
22 Commission.

23 7. As a condition of his association with WMAS, BULLOCK agreed not to conduct any
24 private securities transactions without prior written approval from WMAS. BULLOCK did not request
25 or receive written approval from WMAS to engage in the sale of the viatical policy.
26

8. BULLOCK's transaction in the viatical policy was not recorded on the books and records of WMAS, the securities dealer with whom BULLOCK was registered at the time of the transactions.

III.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to the Act, A.R.S. § 44-1801 et seq., and to Article XV of the Arizona Constitution.

2. BULLOCK engaged dishonest or unethical conduct within the meaning of A.R.S. § 44-1962(10) as defined by A.A.C. R14-4-130(A)(17). Specifically, BULLOCK'S sale of a Viaticum viatical policy was not recorded on the records of WMAS, the dealer with whom he was registered at the time of the transaction.

IV.

ORDER

THEREFORE, on the basis of the Findings of Fact and Conclusions of Law, the Commission finds that the following Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to A.R.S. § 44-1962, that BULLOCK's salesman registration be suspended for 30 days. The date of suspension shall commence upon entry of the Order.

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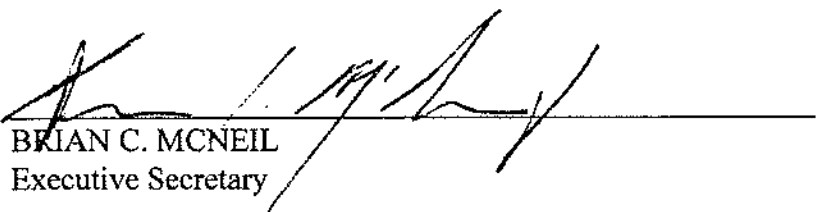
1 IT IS FURTHER ORDERED that BULLOCK shall pay a penalty in the amount of \$500.00,
2 payable to the State of Arizona upon entry of this Order.

3 IT IS FURTHER ORDERED that this Order shall become effective immediately upon the date
4 set forth below.

5
6 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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9 _____
10 COMMISSIONER-CHAIRMAN COMMISSIONER COMMISSIONER

11 IN WITNESS WHEREOF, I, BRIAN C. MCNEIL, Executive
12 Secretary of the Arizona Corporation Commission, have hereunto
13 set my hand and caused the official seal of the Commission to be
14 affixed at the Capitol, in the City of Phoenix, this 13th day of
15 May, 1999.

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18 BRIAN C. MCNEIL
19 Executive Secretary

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BULLOCK further understands that if another agency or officer of this or another state or the federal government or any foreign jurisdiction requests investigative or other information from the Commission relating to this matter, the Commission shall cooperate fully with such requests.

Kent K. Bullock

KENT K. BULLOCK

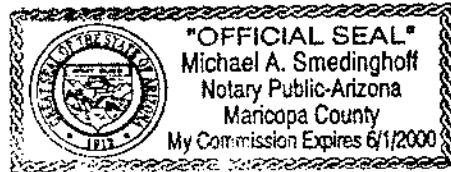
SUBSCRIBED TO AND SWORN BEFORE ME this 3rd day of MAY, 1999.

Michael A. Smedinghoff

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