

STATE OF ALASKA  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
DIVISION OF BANKING, SECURITIES, AND CORPORATIONS  
P.O. BOX 110807  
JUNEAU, AK 99811-0807

|                         |   |                      |
|-------------------------|---|----------------------|
| In the Matter of:       | ) | ALASKA ORDER #96-05S |
|                         | ) |                      |
| M.L. Stern & Co. Inc.   | ) | CONSENT AGREEMENT    |
| 8350 Wilshire Boulevard | ) |                      |
| Beverly Hills, CA 90211 | ) |                      |
|                         | ) |                      |
| <u>Respondent</u>       | ) |                      |

I.

1. Whereas the Alaska Division of Banking, Securities and Corporations ("DBSC") has raised questions concerning the public offering by M.L. Stern & Co., Inc. ("M.L. Stern") of that certain Alaska State Lease and Option Agreement, dated May 15, 1995, between the State of Alaska, Department of Fish and Game, and Mitel Financial Services ("Mitel")(the "Lease"); and,
2. Whereas M.L. Stern is the assignee of the Lease and offered to the public for sale undivided interests in the Lease; and,
3. Whereas the offering of such interest was made through public advertisement; and,
4. Whereas both M.L. Stern and the DBSC desire to effectuate an expeditious resolution of all securities and regulatory issues that in any manner relate to or arise out of the Lease and/or the public offer to sell interests in the lease by M.L. Stern, and without any admission of liability or violation of the Alaska Securities Act (the "Act"), it is now therefore agreed as follows:

II

5. The DBSC and M.L. Stern agree that M.L. Stern shall immediately furnish to each investor that purchased interests in the Lease the disclosure information attached hereto as Exhibit "A"; and,
6. M.L. Stern shall furnish evidence to the DBSC in the form of an affidavit that such disclosure information was sent registered mail, return receipt request to each such investor; and,

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- 1 7. M.L. Stern agrees to provide rescission to any such investor upon request; and,  
2 8. Provided that all terms and conditions herein described are met in full, the  
3 DBSC agrees and covenants that its inquiry into this matter has concluded;  
4 that the DBSC shall not initiate any further administrative proceeding against  
5 M.L. Stern; and that the DBSC shall not in any way initiate, assert, claim or  
6 maintain any administrative action against M.L. Stern arising out of or relating  
7 in any way to the Lease and/or the sale of undivided interests in the Lease.

8 Agreed to by the principals this 11th day of December 1994

9 /s/ Willis F. Kirkpatrick  
10 Willis F. Kirkpatrick  
11 Administrator of Securities

12 /s/ Paul H. White  
13 Paul H. White  
14 Executive Vice President  
15 M.L. Stern Co. Inc.

16 Contact Person:  
17 Lawrence P. Carroll  
18 Senior Securities Examiner  
19 907-465-2521