

BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO

STATE OF IDAHO, Department of)
Finance, Securities Bureau,)
)
Complainant.)
)
vs.)
)
ANDREW DELOS ELISON,)
)
)
Respondent.)

Docket No. 2003-7-27

AGREEMENT AND ORDER

The Director of the Department of Finance has instituted an investigation into the conduct of Andrew Delos Elison (“Elison”). The Director and Elison have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered, and the Respondent consents to the entry of this Agreement and Order.

RESPONDENT

1. Respondent Elison has been registered as a securities salesman with the State of Idaho and the NASD since May 14, 1997. Respondent Elison has been a salesman for United Heritage Financial Services, (“United Heritage”) since February 10, 1998. United Heritage has been registered as a broker-dealer with the NASD and Idaho since March 8, 1994.

BACKGROUND

2. Accelerated Benefits Corporation (“ABC”) is a Florida corporation that offered and sold investments in viatical settlements. As a viatical settlement company, ABC purchased life

insurance policies directly from terminally ill insureds (known as viators) at a discounted price that depended on the viators' life expectancy. ABC then offered to sell investment interests in these types of life insurance policies to Idaho investors. When the viators died, investors were to receive the benefit of the insurance.

3. ABC contracted with Respondent Elison to sell investment interests in its life insurance policies to Idaho residents. ABC paid commissions to Respondent.

4. The Respondent allowed purchasers to designate the term of their investment by selecting from a range of life expectancies for the viators. Investment opportunities ranged from six months with a return of six percent, to forty-eight months with a return of sixty percent.

5. In 1998 Respondent completed a sale of a viatical settlement issued through ABC to one Idaho resident.

VIOLATIONS

Grounds for Denial, Suspension, or Revocation of Securities Salesperson

6. Respondent Elison completed one sale of an ABC investment contract while registered as a securities salesman with United Heritage. Respondent Elison did not have approval from United Heritage to sell the ABC investment contract nor did he disclose to United Heritage the outside income received from ABC for selling the investment contract.

7. IDAPA 12.01.08.080 (Rule 80) pursuant to the Idaho Securities Act addresses "Notification of Outside Business Activities-Selling Away", as follows:

Any salesman or investment adviser representative associated with a broker-dealer or investment adviser registered under this Act shall not engage in business activities, for which he receives compensation either directly or indirectly, outside the scope of his regular employment unless he has provided written notice to his employer.

8. Respondent Elison violated Rule 80 in that he received compensation for selling an ABC investment contract without advising United Heritage of such activity.

REMEDIES

9. Respondent admits the allegations contained in this Agreement and Order.


10. Respondent represents that the information provided to Complainant in its investigation of this matter is accurate and complete. MTC

11. Respondent agrees to pay to the Department a civil penalty in the amount of \$~~1,000~~⁷⁵⁰ within thirty (30) days of the date of this Order.

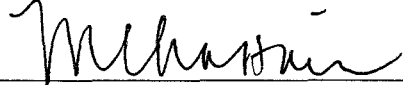
12. Respondent agrees to comply with all provisions of the Idaho Securities Act in the future. In the event the Respondent commits violations of the Idaho Securities Act within one (1) year of the date of the Order, Respondent acknowledges that Complainant can incorporate the allegations giving rise to this Order in any future proceeding.

13. If the Respondent fails to timely meet all terms and conditions set forth in this agreement, this agreement shall be null and void, and the Department may seek all remedies allowed by law that arise from the violations referenced in paragraphs 6 through 8 above.

DONE AND DATED at Boise, Idaho this 25 day of November, 2003.



ANDREW DELOS ELISON



MARILYN T. CHASTAIN
Bureau Chief, Securities Bureau
Department of Finance
State of Idaho

IT IS SO ORDERED This 9th ^{December} day of ~~November~~, 2003

Gavin M. GEE by RMC
GAVIN M. GEE
Director
Department of Finance

