



COMMISSION NEWS

ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

TO: EDITORS, NEWS DIRECTORS
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SCOTTSDALE COUPLE AND VEGAS MAN ORDERED TO STOP SMALL BUSINESS FRAUD AND RETURN FUNDS

PHOENIX ... The Arizona Corporation Commission ordered Great Western Investment Trust and its principals, Terry Scott Cattell and his wife, Susanne Mayfield Cattell, of Scottsdale; and Dusty Buckel of Las Vegas, to cease and desist in the sales of agreements consisting of advance fee loans for business start-ups.

The Order stated that the principals, on behalf of Great Western, promised to obtain funding totaling over \$42 million for twenty-six individuals starting small businesses. The individuals paid Great Western advance fees totaling \$340,000 for Great Western's agreements to provide lines of credit. The agreements specified that the advance fees were "fully refundable," however, Great Western never provided the funding nor did they refund any of the advance fees. Great Western and its principals apparently were perpetrating a fraud by taking the individuals' funds without seeking to locate capital for their businesses.

With the myriad of Internet start-ups and at-home business opportunities, the potential for fraud against small business increases. While today's economy provides many sources and opportunities for individuals to start their own business ventures, there are also individuals who prey upon entrepreneurs. Entrepreneurs face many pitfalls ranging from credit card and lending fraud to unscrupulous individuals who purport to have an "inside track" for financing and venture capital.

The fraudulent dealers operate under the guise of an "angel" (venture capitalist) or someone with savvy in raising capital. They may take investor money without ever raising capital. "Individuals who are asked for advance loan fees to gain capital for their businesses need to be careful," added Mark Sendrow, Securities Division Director of the Arizona Corporation Commission. Entrepreneurs should contact the Securities Division first.

The Commission ordered restitution to the investors and administrative penalties of \$50,000 each against

Terry Scott Cattell and Susanne Mayfield Cattell. Dusty Buckel was ordered to pay an administrative penalty of \$25,000. In taking this action, Arizona Corporation Commission Chairman Carl Kunasek stated: “Entrepreneurs thinking of raising capital should consult with the Commission and the Securities Division.” Commissioner Jim Irvin added, “The Commission will continue its efforts to see that the investing public is protected. No business owner should have to start their business experience by getting defrauded.” Commissioner William Mundell emphasized that “while the Commission encourages small business and its contribution to the economic well-being of Arizona, we will be diligent in monitoring that such businesses are not victimized by scam artists peddling advance-fee services.”

The Commissioners encourage any individuals who are interested in starting a business or finding out about capital formation in Arizona to contact the Securities Division at (602) 542-4242 or visit the Division web site at www.ccsd.cc.state.az for more information.

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