



COMMISSION NEWS

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

TO: EDITORS, NEWS DIRECTORS
FOR: IMMEDIATE RELEASE

DATE: June 28, 2002
CONTACT: Heather Murphy (602) 542-0844

SECURITIES SALESMAN PENALIZED FOR SALE OF UNREGISTERED SECURITIES

PHOENIX – The Arizona Corporation Commission has suspended the registration of West Valley securities salesman Gary Laha for a period of six months. In addition, the Corporation Commission has ordered Laha to cease and desist from violating the Arizona Securities Act and has penalized Laha \$3,500. The Commission found that Laha sold \$25,000 of unregistered common stock of Ecodom Corporation (formerly Airzone International Corporation) to one investor in August 1999.

Prior to his resignation in September 2001, Laha was a principal of Loach, Laha & Associates, a division of American Express Financial Advisors Inc. Laha and his partner, David Loach, provided investment advice, financial planning and securities brokerage services in the Sun City area.

Laha consented to entry of the order and admitted to the Corporation Commission's findings. Laha did not report the sale of Ecodom Corporation stock to American Express, a violation known in the industry as "selling away" from the dealer.

It is illegal and forbidden under industry rules for a registered securities salesman such as Laha to sell away from his dealer firm, in this case, American Express Financial Advisors. The rationale is because the dealer cannot perform its duty to supervise the salesman's business conduct unless the dealer has complete information. As part of the dealer's supervision, the dealer typically prepares a trade confirmation, which at a minimum reflects the name of the securities purchased, the number of shares purchased, the execution price and the date of the trade. Investors should check with the dealer if they do not receive a trade confirmation within a few days of a transaction.

Prior to investing, verify registration of a securities salesman and securities by contacting the Arizona Corporation Commission's Securities Division at 602-542-4242, or call toll free from outside the Phoenix metro area at 1-877-811-3878. The Division's website also has helpful information for investors at www.ccsd.cc.state.az.us.

###