Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF:	**ORDER TO SHOW CAUSE**
SNEED FINANCIAL SERVICE, LLC;	**Docket No.** SD-06-0015
CLIFTON CURTIS SNEED JR.;	**Docket No.** SD-06-0016
UNLIMITED CASH, INC.;	**Docket No.** SD-06-0017
WAYNE DOUGLAS FLESHER;	**Docket No.** SD-06-0018
DOUGLAS NETWORK ENTERPRISES; and	**Docket No.** SD-06-0019
NANCY CAROL KHALIAL,	**Docket No.** SD-06-0020
Respondents.	

It appears to the Director of the Utah Division of Securities (Director) that Sneed Financial Service, LLC, Clifton Curtis Sneed Jr., Unlimited Cash, Inc., Wayne Flesher, Douglas Network Enterprises, and Nancy C. Khalial (collectively, the Respondents) may have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the

Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over the Respondents and the subject matter is appropriate because the Division alleges that the Respondents violated §§ 61-1-1 (Securities Fraud), 61-1-3 (Sale by an Unlicensed Agent / Employing an Unlicensed Agent), and 61-1-7 (Sale of Unregistered Security) of the Act, while engaged in the offer and sale of securities in Utah.

STATEMENT OF FACTS

THE PARTIES AND ENTITIES

2. Sneed Financial Service, LLC (Sneed Financial) was registered as a Texas limited liability company on April 14, 2004, but it is currently "not in good standing." Sneed Financial's business address was 701 Brazos Street, Suite 1050, Austin, Texas, and its sole member was Clifton Curtis Sneed Jr.
3. Clifton Curtis Sneed Jr. (Sneed) resides in Dallas County, Texas.
4. Unlimited Cash, Inc. (Unlimited Cash) was registered as a California corporation on February 10, 1997, and its current corporate status is "active." Unlimited Cash's business address is 130 Lombard Street, Oxnard, California, and Wayne Flesher is its president.
5. Wayne Douglas Flesher (Flesher) resides in Ventura County, California.

6. Douglas Network Enterprises (DNE) was registered as a California corporation on July 26, 2000, and its current corporate status is "active." DNE's business address is 130 Lombard Street, Oxnard, California, which is the address for Unlimited Cash. Nancy Carol Khalial is the president of DNE.

7. Nancy Carols Khalial (Khalial) resides in Ventura County, California.

GENERAL ALLEGATIONS

8. From December 2003 to December 2004, the Respondents, directly or indirectly, caused at least three Utah residents to invest a total of $92,000 in an advertising investment program involving a device called an "Ad Topper".

9. Unlimited Cash and its agents sold Ad Toppers, which were purported to be 15" video monitors used to run commercial advertisements in high-traffic locations. Nationwide, Unlimited Cash raised at least $14 million from approximately 350 investors.

10. DNE contracted with the individual investors and was responsible for selling advertisement space, which was the primary source of repayment to investors.

11. Sneed was an agent for Unlimited Cash and received a commission for selling the Ad Toppers.

12. Sneed told investors their investment funds would be used to purchase Ad Toppers.

13. Sneed told investors the investment generated money from the sale of advertising space and that all investors had to do was provide funds and the investment would be operated and managed by others.

14. Each investor signed the following documents (the Contracts) prior to investing in Ad Toppers: (1) a Purchasing Contract with Unlimited Cash, (2) a form that acknowledged Sneed's responsibilities as a representative of Unlimited Cash, and (3) an Ad Topper Operation and Maintenance Agreement between the investor and DNE.

15. The Operation and Maintenance Agreement provided that DNE would secure locations for the Ad Toppers, install the Ad Toppers, and perform all necessary maintenance. DNE was also responsible for selling and placing the ads.

Offers and Sales

(Investor G. L.)

16. Utah resident, G. L., who is in excess of 80 years old and blind, first heard about Sneed Financial and Sneed from his son-in-law, R. R., who invested in Ad Toppers while living in Texas.

17. R. R. told Sneed about G. L. and gave him G. L.'s contact information.

18. G. L. received a telephone call from Sneed in December 2003, in which Sneed explained the investment in Ad Toppers. Sneed told G. L. the investment in Ad Toppers would produce a return of 16% annually; the Ad Topper machines were depreciable and could

be a tax write off; it was a very solid investment; and there was no risk because the investment was 100% secured.

19. Sneed told G. L. the investment was for three years, and at the end of the third year G. L. could continue receiving monthly interest payments, or Sneed himself would buy the Ad Topper from G. L.

20. Sneed also told G. L. that he had invested the maximum amount in Ad Toppers, and therefore had to use his father's name to invest more money.

21. On January 8, 2004, G. L. invested in Ad Toppers by mailing to Sneed Financial a $32,000 cashier's check, made out to Lawyers Title Company, the escrow company. At the same time, G. L. also mailed the signed Contracts to Sneed Financial. Sneed instructed G. L. to date the Contracts as though G. L. had signed them in 2003, for "tax purposes".

22. From April 2004 to November 2005, G. L. received a total of $8,640 in interest payments from Sneed Financial. Since November 2005, G. L. has received no return of principal or interest from Respondents.

(Investor S. R.)

23. Utah resident, S. R. first heard about Sneed Financial and Sneed from his father, R. R., who invested in Ad Toppers while living in Texas.

24. R. R. told Sneed about S. R. and gave him S. R.'s contact information.

25. In July 2004, Sneed called S. R. to discuss an investment opportunity in Ad Toppers. Sneed told S. R. the investment carried no risk; the investment guaranteed an annual return of 16% which would be paid monthly; there was a minimum required investment of $20,000; all S. R. had to do was put up the money and everything else would be taken care of; the investment was for three years and then S. R. could sell his Ad Toppers to new investors; and that Sneed himself had invested $200,000.

26. Soon after S. R.'s first phone conversation with Sneed, S. R. received a newsletter in the mail from Sneed Financial telling him how to receive tax savings of up to $100,000 using a special IRS rule, and at the same time receive a 16.2% annual return on investment dollars, "with no stock market risk", by investing in Ad Toppers.

27. Shortly after S. R. received the above mentioned newsletter, Sneed called S. R. and told him if S. R. did not invest in Ad Toppers soon, S. R. would have to pay a higher tax rate on his income from the investment due to tax changes implemented by the Securities and Exchange Commission (SEC).

28. On December 7, 2004, S. R. invested in Ad Toppers by mailing to Sneed Financial a $40,000 cashier's check, made out to Lawyers Title Company, the escrow company. At the same time, S. R. mailed the signed Contracts to Sneed Financial. S. R. said Sneed told him not to date the Contracts. When S. R. saw the fully executed Operation and

Management Agreement with DNE, he noticed someone had written in the date as February 2005.

29. From March to July of 2005, S. R. received a total of $1,620 in interest payments from Sneed Financial. Since July 2005, S. R. has received no return of principal or interest from Respondents.

(Investor J. K.)

30. Utah resident, J. K., first heard about an investment opportunity in Ad Toppers from investor S. R.

31. In December 2004, J. K. called Sneed to inquire about the investment in Ad Toppers. Sneed told J. K. there was a guaranteed return of 16%; the term of the investment was three years; and when the note matured J. K. could liquidate all of his Ad Toppers if he so desired.

32. Sneed told J. K. he had to invest before the end of 2004 because the SEC was going to change the tax laws, and J. K. would have to pay a higher tax rate on his investment returns after the end of 2004. Sneed told J. K. the minimum investment was $20,000.

33. On December 30, 2004, J. K. invested in Ad Toppers by mailing to Sneed Financial a $20,000 cashier's check, made out to Lawyers Title Company, the escrow company. At the same time, J. K. mailed the signed Contracts to Sneed Financial. Sneed told J. K. not

to date the Contracts. When J. K. saw the fully executed Operation and Management Agreement with DNE, he noticed someone had written in the date as February 2005.

34. J. K. received two interest checks from Sneed Financial in the amount of $270 each, in March and April 2005. Since April 2005, J. K. has received no return of principal or interest on his investment.

CAUSES OF ACTION

COUNT I
Securities Fraud under § 61-1-1 of the Act
(Sneed Financial, Sneed, Unlimited Cash, Flesher, DNE, Khalial)

35. The Division incorporates and re-alleges paragraphs 1 through 34.

36. The investment opportunity in Ad Toppers offered and sold by the Respondents, is a security under § 61-1-13 of the Act.

37. In connection with the offer and sale of a security to Utah investors, Respondents, directly or indirectly, made false statements, including, but not limited to, the following:

    a. That Sneed had invested $200,000 of his own money and $100,000 of his father's money in Ad Toppers, or that he had invested the maximum amount possible and had to start investing in his father's name, when, in fact, Sneed admitted that he did not invest any of his own money in Ad Toppers;

    b. That there was no risk involved with an investment in Ad Toppers, the investment had a guaranteed return of 16%, or that the investment was 100% secured, when,

in fact, the investment involved many risks and Respondents had no reasonable basis on which to make such representations;

c. That investors could liquidate their investment in three years, when, in fact, Respondents had no reasonable basis on which to make these representations; and

d. That investors needed to invest quickly because the SEC was going to change tax laws to the detriment of investors, when, in fact, the SEC made no such change to tax laws and is without the ability to change tax laws.

38. In connection with the offer and sale of a security to Utah investors, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made not misleading:

a. That Sneed was receiving a commission of 23% from Unlimited Cash for the sale of Ad Toppers;

b. That Unlimited Cash had filed for bankruptcy on July 15, 2003;

c. That in several instances, the same Ad Topper device was sold to multiple investors;

d. That records indicated single Ad Topper devices had been installed simultaneously at multiple locations, when it appears that many of the locations where Unlimited Cash claimed to have had Ad Topper devices installed, have

never been contacted by Unlimited Cash or DNE, and have never heard of Unlimited Cash, DNE, or Ad Toppers;

e. That almost all of new investor money was used to pay agent commissions and to pay prior investors, rather than to buy Ad Topper devices;

f. That investors would not receive a payment from their investment unless revenue was generated by advertisers;

g. That Sneed was served with a subpoena by the SEC in September 2004, in order to question him regarding the advertising investment program;

h. A prospectus or any written disclosure information about Unlimited Cash, DNE, and Sneed Financial;

i. Information regarding the business and operating history of Unlimited Cash, DNE, and Sneed Financial;

j. The identities of principals in Unlimited Cash, DNE, and Sneed Financial, along with their experience in the advertising and investment businesses;

k. Financial statements for Unlimited Cash, DNE, and Sneed Financial;

l. Information about the market for Ad Toppers;

m. The track record of Unlimited Cash, DNE, and Sneed Financial for prior investors;

n. Whether Unlimited Cash, DNE, and Sneed Financial, or any of its associated officers or directors had been involved in certain legal proceedings, such as bankruptcies or prior violation of state or federal securities laws;

o. Any conflicts of interest that Unlimited Cash, DNE, Sneed Financial, or any associated officers or directors, may have with regard to the investment;

p. The actual amount of commissions received by those offering and selling an investment in Ad Toppers;

q. That the investment opportunity was a security that was not registered with the Utah Division of Securities; and

r. That Sneed was acting as an unlicensed agent in violation of Utah securities laws.

39. Based upon the foregoing, Sneed Financial, Sneed, Unlimited Cash, Flesher, DNE, and Khalial willfully violated § 61-1-1 of the Act.

COUNT II
Sale of Unregistered Securities under § 61-1-7 of the Act
(Sneed Financial, Sneed, Unlimited Cash, Flesher, DNE, Khalial)

40. The Division incorporates and re-alleges paragraphs 1 through 39.

41. The investment opportunity in Ad Toppers offered and sold by the Respondents is a security under § 61-1-13 of the Act.

42. The investment opportunity was offered and sold in this state.

43. The investment opportunity offered and sold by the Respondents was not registered under the Act, and Respondents did not file any claim of exemption relating to the investment opportunity.

44. Based on the above information, Sneed Financial, Sneed, Unlimited Cash, Flesher, DNE, and Khalial willfully violated § 61-1-7 of the Act.

COUNT III
Sale by an Unlicensed Agent under § 61-1-3(1) of the Act
(Clifton Curtis Sneed Jr.)

45. The Division incorporates and re-alleges paragraphs 1 through 44.

46. Sneed offered or sold securities in Utah.

47. When offering and selling these securities on behalf of Unlimited Cash, Sneed was acting as an agent of an issuer.

48. Sneed has never been licensed to sell securities in Utah as an agent of this issuer, or any other issuer.

49. Based on the above information, Sneed willfully violated § 61-1-3(1) of the Act.

COUNT IV
Employing an Unlicensed Agent under § 61-1-3(2) of the Act
(Unlimited Cash, Inc.)

50. The Division incorporates and re-alleges paragraphs 1 through 49.

51. Unlimited Cash employed or engaged unlicensed agent, Sneed, to offer and sell its securities in Utah.

52. Based on the above information, Unlimited Cash willfully violated § 61-1-3(2) of the Act.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur on Monday, May 15, 2006, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. If Respondents fail to file an answer or appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63-46b-11. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, Respondents may show cause, if any they have:

a. Why Sneed Financial, Sneed, Unlimited Cash, Flesher, DNE, and Khalial, should not be found to have willfully engaged in the violations alleged by the Division in this Order to Show Cause;

b. Why Sneed Financial Service, LLC should not be ordered to pay a fine of fifty thousand dollars ($50,000) to the Division of Securities;

c. Why Clifton Curtis Sneed Jr. should not be ordered to pay a fine of fifty thousand dollars ($50,000) to the Division of Securities;

d. Why Unlimited Cash, Inc. should not be ordered to pay a fine of fifty thousand

dollars ($50,000) to the Division of Securities;

e. Why Wayne Douglas Flesher should not be ordered to pay a fine of fifty thousand dollars ($50,000) to the Division of Securities;

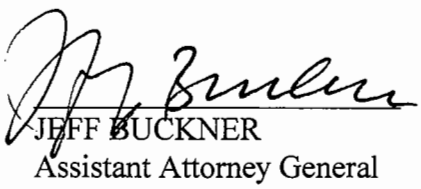
f. Why Douglas Network Enterprises should not be ordered to pay a fine of twenty-five thousand dollars ($25,000) to the Division of Securities; and

g. Why Nancy Carol Khalial should not be ordered to pay a fine of twenty-five thousand dollars ($25,000) to the Division of bSecurities.

DATED this 3rd day of April, 2006.

WAYNE KLEIN
Director, Utah Division of Securities

Approved:



JEFF BUCKNER
Assistant Attorney General

J.S.

Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801) 530-6980

BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF:	**NOTICE OF AGENCY ACTION**
SNEED FINANCIAL SERVICE, LLC;	**Docket No.** SD-06-0015
CLIFTON CURTIS SNEED JR.;	**Docket No.** SD-06-0016
UNLIMITED CASH, INC.;	**Docket No.** SD-06-0017
WAYNE DOUGLAS FLESHER;	**Docket No.** SD-06-0018
DOUGLAS NETWORK ENTERPRISES;	**Docket No.** SD-06-0019
and	
NANCY CAROL KHALIAL,	**Docket No.** SD-06-0020
Respondents.	

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of the mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §§ 63-46b-3 and 63-46b-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the mailing date of this notice, you are required to file a written response with the Division. The response you file may be helpful in clarifying, refining or narrowing the facts and violations alleged in the Order to Show Cause. A hearing date has been set for Monday, May 15, 2006, at 9:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah.

If you fail to file a written response, as set forth herein, or fail to appear at the hearing, the Division of Securities may hold you in default, and a fine may be imposed against you in accordance with Utah Code Ann. § 63-46b-11, without the necessity of providing you with any further notice. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, you may appear and be heard and present evidence on your behalf. You may be represented by counsel during these proceedings.

The presiding officer in this case is Wayne Klein, Director, Division of Securities, 160 East 300 South, P.O. Box 146760, Salt Lake City, UT 84114-6760, telephone (801) 530-6600. The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, P.O. Box 146701, Salt Lake City, UT 84114-6701, telephone (801) 530-6648.

Your written response should be filed with the Division, attention Pam Radzinski, P.O. Box 146760, Salt Lake City, Utah 84114-6760. A copy also should be mailed to the Division's attorney, Jeff Buckner, Assistant Attorney General in the Utah Attorney General's Office, 160 East 300 South, P.O. Box 140872, Salt Lake City Utah 84114-0872, telephone (801) 366-0310.

Questions regarding the Order to Show Cause and Notice of Agency Action should be directed to Jeff Buckner.

DATED this 3rd day of April, 2006.

WAYNE KLEIN
Director, Division of Securities
Utah Department of Commerce

Certificate of Mailing

I certify that on the ~~3RD~~ 4TH day of April 2006, I mailed, by certified mail, a true and correct copy of the Order to Show Cause and Notice of Agency Action to:

Sneed Financial Service, LLC
701 Brazos St., Suite 1050
Austin, TX 78701-3232

Certified Mail # 70042510000611969872

Clifton Curtis Sneed Jr.
12211 Bellafonte Drive
Dallas, TX 75243

Certified Mail # 70042510000611969889

Unlimited Cash, Inc.
130 Lombard Street
Oxnard, CA 93030

Certified Mail # 70042510000611969896

Wayne Douglas Flesher
2002 Vanguard Drive
Camarillo, CA 93010

Certified Mail # 70042510000611969902

Douglas Network Enterprises
130 Lombard Street
Oxnard, CA 93030

Certified Mail # 70042510000611969919

Nancy Carol Khalial
5710 Terra Bella Ln.
Camarillo, CA 93012

Certified Mail # 70042510000611969926

Pamela Radzinski
Executive Secretary