

Stellar Solutions, Inc. Channler D. Drawdy Fletcher D. Sapp John T. Julian

Notice of Intent to Invoke Administrative Sanctions

DATE: July 22, 2002 RESPONDENTS: Stellar Solutions, Inc. of Fremont, California, Channler D. Drawdy of Fremont, California, John T. Julian of Overland Park, Kansas and Fletcher D. Sapp of Olathe, Kansas ALLEGATIONS: Unlawful acts in connection with the offer or sale of securities; unregistered broker-dealer or agent; unregistered securities ORDER: The Commissioner alleges that during 1996-1997, the respondents offered and sold stock in Stellar Solutions, Inc. to at least 354 investors, many of which were Kansas residents. At the time of the offering, the respondents omitted to disclose a material fact to the investors that respondent Julian had a previous federal felony conviction for money laundering and respondent Sapp maintained a previous federal felony bank fraud conviction. Additionally, respondents omitted to disclose to investors a prior federal bank fraud conviction for another sales agent, Ronald M. Sapp. The Commissioner further alleges that neither the investments nor respondents were duly registered in compliance with the Kansas Securities Act.