

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

LAKESIDE EQUITY PARTNERS INC)	ADMINISTRATIVE ORDER
CATHY DEWITT)	NO:CD-2008-0031
KEVIN L. JEFFERSON)	
JOHN LABUNSKI)	
BRADLEY STUART WILLIAMS)	
MARTHA DRAKE)	
JOHN P. LEY)	
)	
<u>RESPONDENTS</u>)	

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. LAKESIDE EQUITY PARTNERS INC. ("LSEP"), during all times relevant to the issuance of this order, was a financial planning entity with a business address of 5700 West Plano Parkway, Suite 1600, Plano, Texas 75093-2446.
2. CATHY DEWITT ("DEWITT") during all times relevant to the issuance of this order was the Owner/President of Lakeside Equity Partners Inc., with a business address of 5700 West Plano Parkway, Suite 1600, Plano, Texas 75093-2446.
3. KEVIN L. JEFFERSON ("JEFFERSON") during all times relevant to the issuance of this order, acted as an agent of Life Partners, Inc. During this period JEFFERSON was registered as a securities Agent with Wall Street *E Financial Services, Inc., with a business address of 108 Misty Morn Lane, Huntsville, AL 35811. Jefferson is, as of August 8, 2008, registered as an Investment Advisor Representative in Alabama with Questar Asset Management, Inc., with a business address of 400 Meridian Street, Suite 105, Huntsville, Alabama 35801.

4. JOHN LABUNSKI ("LABUNSKI") during all times relevant to the issuance of this order, acted as an Agent of Lakeside Equity Partners, Inc, with a business address of 5700 West Plano Parkway, Suite 1600, Plano, Texas 75093, and Life Partners, 204 Woodhew Drive, Waco, Texas, 76712.

5. BRADLEY STUART WILLIAMS ("WILLIAMS") during all times relevant to the issuance of this order, acted as an Agent of Life Partners, Inc. During the time frame in question, Williams was not registered as a Securities Agent, Dealer, Investment Advisor, or an Investment Advisor Representative in the State of Alabama. Williams, as of October 4, 2007, became registered in the State of Alabama as an Investment Advisor with ProEquities, Inc., with a business address of 2707 Artie Street, Building 200, Suite 12, Huntsville, Alabama 35805.

6. MARTHA J. DRAKE ("DRAKE") during all times relevant to the issuance of this order, acted as an Agent of Life Partners, Inc. Drake is not now, nor has she ever been registered in the State of Alabama as a Securities Agent, Dealer, Investment Advisor, or Investment Advisor Representative. Drake's business address is 780 County Road 1373, Vinemont, Alabama 35179

7. JOHN P. LEY ("LEY") during all times relevant to the issuance of this order, acted as an Agent of Life Partners, Inc. Ley is not now, nor has he ever been registered in the State of Alabama as an Agent, Dealer, Investment Advisor, or Investment Advisor Representative. Ley became registered as a Securities Agent on November 10, 2003 in the State of New York with Advanced Planning Securities, Inc. Ley's business address is listed as 222 Middle Country Road, Suite 209, Smithtown, New York 11787.

STATEMENT OF FACTS

8. On September 9, 2008, a review of the registration files of the Alabama Securities Commission revealed no evidence of registration nor any perfected exemption from registration for Lakeside Equity Partners, Inc., or Life Partners, Inc.

9. The Alabama Securities Commission is in receipt of information that indicates LAKESIDE EQUITY PARTNERS, INC., CATHY DEWITT, KEVIN L. JEFFERSON, JOHN LABUNSKI, BRADLEY STUART WILLIAMS, MARTHA J. DRAKE and JOHN P. LEY, while acting as Agents of Lakeside Equity Partners, Inc. and/or Life Partners, Inc., engaged in the offer and/or sale of securities, to wit: investment contracts involving fractionalized Life Settlement Agreements into, within, or from the state of Alabama. Life Settlement Agreements are agreements/investment contracts tailored to the purchase of life insurance policies which are purchased at a discount to their face value, primarily from the elderly, but mainly according to the life expectancy of the insured. Upon the death of the insured, proceeds are distributed based upon the distinct share of the policy which each investor owns.

10. Records revealed Cathy Dewitt is listed as the Owner Principal/President of Lakeside Equity Partners, Inc. On September 9, 2008, a review of the registration records of the Alabama Securities Commission revealed no registration, nor exemption from registration in the State of Alabama for Dewitt.

11. Acting as an Agent of Life Partners, Inc., Kevin L. Jefferson solicited and sold thirteen (13) Life Settlements (investment contracts) to three (3) Alabama residents totaling \$379,184.63, from April 2007 through November 2007. On September 9, 2008, a review of the registration records of the Alabama Securities Commission revealed no registration, nor any exemption from registration for the Life Settlements (investment contracts) sold by Jefferson during this time period. All obtained investors funds were forwarded to Life Partners, Inc., located at 204 Woodhew Drive, Waco, Texas 76712.

12. Acting as an Agent of Lakeside Equity Partners and Life Partners, Inc., John Labunski solicited and sold twenty-one (21) Life Settlements (investment contracts) to two (2) Alabama residents, totaling \$393,063.98 from January 2007 through April 2007. On September 9, 2008, a review of the registration records of the Alabama Securities Commission revealed no registration, nor any exemption from registration in the State of Alabama for Labunski, nor for the Life Settlements, (investment contracts) sold during this time period. All collected investor funds were forwarded to Lakeside Equity Partners, Inc., located at 5700 West Plano Parkway, Suite 1600, Plano, Texas, 75093-2446. Funds were then forwarded to Life Partners, Inc., located at 204 Woodhew Drive, Waco, Texas 76712.

13. Acting as an Agent of Life Partners, Inc., Bradley Stuart Williams solicited and sold nine (9) Life Settlements (investment contracts) to two (2) Alabama residents totaling \$100,329.40 from September 2006 through February 2007. On September 9, 2008, a review of the registration records of the Alabama Securities Commission revealed no registration, nor any exemption from registration in the State of Alabama for Williams, nor for the Life Settlements (investment contracts) sold by him during this time period. All collected investor funds were forwarded to Life Partners, Inc., located at 204 Woodhew Drive, Waco, Texas 76712.

14. Acting as an Agent of Life Partners, Inc., Martha J. Drake solicited and sold seven (7) Life Settlements (investment contracts) to one (1) Alabama resident totaling \$75,000.00 from November 2006 through March 2007. On September 9, 2008, a review of the registration records of the Alabama Securities Commission revealed no registration, nor any exemption from registration in the State of Alabama for Drake, nor for the Life Settlements (investment contracts) sold by her during this time period. All collected investor funds were forwarded to Life Partners, Inc., located at 204 Woodhew Drive, Waco, Texas 76712.

15. Acting as an Agent of Life Partners, Inc., John P. Ley solicited and sold five (5) Life Settlements (investment contracts) to one (1) Alabama resident, totaling \$39,570.00 in August 2007. On September 9, 2008, a review of the registration records of the Alabama Securities Commission revealed no registration, nor any exemption from registration in the State of Alabama for Ley, nor for the Life Settlements (investment contracts) sold by him during this time period. All collected investor funds were sent to Life Partners, Inc., located at 204 Woodhew Drive, Waco, Texas 76712.

CONCLUSIONS OF LAW

16. The fractionalized Life Settlement Agreements offered by RESPONDENTS are investment contracts involving the investment of funds, in a common enterprise, with expectation of profits derived from the significant managerial efforts of others. The definition of a security Pursuant to Section 8-6-2(10), Code of Alabama 1975, includes Investment contracts; therefore, the fractionalized Life Settlement Agreements/Investment contracts offered by respondents are securities under the Act.

17. The securities offered and sold by RESPONDENTS, to wit: the fractionalized Life Settlement Agreements/Investment Contracts were not registered in the state of Alabama. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer or sell any security unless it is registered under the Act, the security is exempt from registration pursuant to Section 8-6-10, or the transaction is exempted under Section 8-6-11. RESPONDENTS unlawfully offered and sold securities which were neither registered nor subject to any perfected exemption.

18. RESPONDENTS Lakeside Equity Partners, Inc., Dewitt, Labunski, Williams, Drake and Ley were not registered as Securities Agents or Dealers, Investments Advisors, or Investments Advisors Representatives in the state of Alabama. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for a person to transact business in this state as a Dealer or Agent for securities unless such person is registered under the Act. RESPONDENTS unlawfully acted in the capacity of an unregistered securities Dealer and unregistered securities Agents.

This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

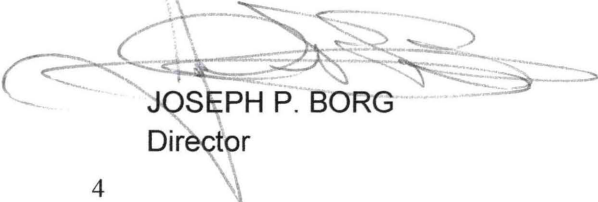
This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENT(S) immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 9th day of October, 2008.

ALABAMA SECURITIES COMMISSION
770 Washington Avenue, Suite 570
Montgomery, AL 36130-4700
(334) 242-2984

BY:


JOSEPH P. BORG
Director

