

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
ALPHA TELECOM, INC a/k/a ATC, INC.,
LIFE PLANNING GROUP, INC., FLORIDA
UNDERWRITING CO., PAUL S. RUBERA, and
DENNIS L. BAUGHER

PETITION FOR ORDER

Respondents.

File No. S-99225(EX)

The staff of the Enforcement Unit, Registration & Enforcement Section, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Alpha Telecom, Inc. a/k/a ATC, Inc. ("ATC") is a foreign business entity with a last known business address of 2751 Highland Ave., Grants Pass, OR 97526.
2. Life Planning Group, Inc. ("LPGI") is a foreign business entity with a last known business address of 1200 Washington Rd., Ste 203, Washington, PA 15301.
3. Florida Underwriting Co. ("Florida") is a foreign business entity with a last known business address of 16956 McGregor Blvd., Ste 3, Ft. Myers, FL 33908.
4. Paul S. Rubera ("Rubera") is an individual who at all times material hereto has been the controlling person of ATC, with a last known business address at that of ATC.
5. Dennis L. Baugher ("Baugher ") is an individual who at all times material hereto has been the controlling person of Florida, with a last known business address at that of Florida.
6. During the period between March, and May, 1999, an agent on behalf of ATC, LPGI, Florida, Rubera, and Baugher, offered and sold to at least six persons in Wisconsin investment interests in payphones.
7. The payphones and contracts to fully service them are sold as a package, with the investors receiving a share of the profits.
8. Upon information and belief, this is an investment in a common enterprise with the expectation of profit to be derived through the essential managerial efforts of someone other than the investor.
9. The payphone investments offered and sold by the respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.
10. The ATC investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
11. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

12. In connection with the offers of the securities described above, Florida transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.
13. At no time has Florida been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.
14. Respondent Florida has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.
15. Respondents have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.
16. On February 2, 1999, the State of Pennsylvania, issued a Cease and Desist Order against ATC and LPGI, based on allegations of securities law violations.
17. In connection with the offer of the securities described in Paragraph 6, the Respondents omitted to disclose the issuance of the order referred to in Paragraph 16.
18. All Respondents have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin.
19. On June 30, 1999, the State of Illinois, issued a Cease and Desist Order against ATC based on allegations of securities law violations.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

 11-18-99

 Mark E. Dorman Date
 Examiner
 Enforcement Unit

 11/17/99

 David A. Cohen Date
 Supervising Attorney
 Enforcement Unit