

Securities Division
Utah Department of Business Regulation
Heber M. Wells Building
160 East 300 South
Post Office Box 45802
Salt Lake City, UT 84145
Telephone: (801) 530-6600

BEFORE THE SECURITIES DIVISION
OF THE DEPARTMENT OF BUSINESS REGULATION
OF THE STATE OF UTAH

IN THE MATTER OF THE	:	PETITION FOR ORDER SUSPENDING
REGISTRATION STATEMENT OF	:	AND/OR REVOKING THE USE OF
HAFS Corporation	:	EXEMPTIONS FROM REGISTRATION
	:	
FILE NUMBER U-603	:	CASE NO. SD-87-240

The Securities Division of the Utah Department of Business Regulation ("Division"), hereby petitions the Executive Director of the Utah Department of Business Regulation to enter an Order, subject to the approval of a majority of the Securities Advisory Board, suspending and/or revoking the exemptions in subsections (1)(g), (1)(h), (1)(j) and 2 of Section 61-1-14 of the Utah Uniform Securities Act (the "Act") for HAFS Corporation ("Company") and all securities issued by the Company. In furtherance of said Petition the Division alleges as follows:

- 1) On 7/19/84, the Company filed a registration statement with the Division pursuant to Section 10 of the Act and Rule 10.2-1 of the Division (effective May 10, 1983).
- 2) Paragraph (b)(7) of Rule 10.2-1 requires that the registrant file, within thirteen months of the close of the offering, financial statements which meet the requirements of paragraph (h) of Rule 10.2-1.
- 3) Paragraph (h) of Rule 10.2-1 requires that financial statements be submitted which are prepared following an audit by an independent certified public accountant in accordance with generally accepted accounting principles and accompanied by a signed opinion of such accountant. The Rule requires that the financial statements include a balance sheet, income statement, statement of retained earnings, capital statement and statement of changes in financial position and specific indication of the use of the proceeds of the public offering.
- 4) According to the Division's records, the audit for the Company was due no later than 11/1/86.
- 5) The Division notified the Company by letter dated December 17, 1986 that the audit for the offering had not been received by the Division and that it was the intention of the Division to commence action to revoke and/or suspend the use of all exemptions from registration for the Company's securities if the audit was not received by the Division within sixty days from the date of the letter.

6) As of this date, the audit has not been received by the Division.

7) Failure of the Company to submit the audit required by Rule 10.2-1 constitutes a willful violation of Rule 10.2-1.

8) Because the Company has willfully violated Rule 10.2-1 of the Division it is in the public interest that the Order requested by the Division be entered.

WHEREFORE, the Division requests that an Order be entered suspending and/or revoking the exemptions in subsections (1)(g), (1)(h), (1)(j) and (2) of Section 61-1-14 of the Utah Uniform Securities Act for HAPS Corporation and all securities issued by HAPS Corporation, until such time that the Company:

- 1) Files with the Division the financial statements required by subparagraphs (b)(7) and (h) of Rule 10.2-1, and
- 2) Pays the Division One Hundred Fifty dollars (\$150.00) to cover the cost of this action.

DATED this 19 day of March, 1987.

SECURITIES DIVISION
UTAH DEPARTMENT OF BUSINESS REGULATION

by John C. Baldwin
JOHN C. BALDWIN
DIRECTOR

Securities Division
Utah Department of Business Regulation
Heber M. Wells Building
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BEFORE THE SECURITIES DIVISION
OF THE DEPARTMENT OF BUSINESS REGULATION
OF THE STATE OF UTAH

IN THE MATTER OF THE	:	
REGISTRATION STATEMENT OF	:	NOTICE OF HEARING
HAFS Corporation	:	
FILE NUMBER U-603	:	CASE NO. SD-87-240

TO: HAFS Corporation
2586 E. Nora Dr.
SLC, UT 84124

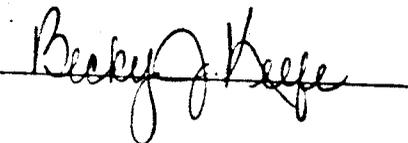
You are hereby notified that a hearing on the Petition of the Securities Division will be held in the above-entitled matter before J. STEVEN EKLUND, Administrative Law Judge, of the Utah Department of Business Regulation on the 4th day of May, 1987, at the hour of 9:40 a.m. in Room 223, Heber M. Wells Building, 160 East 300 South, Salt Lake City, Utah. You may appear and be heard and present evidence in your behalf. You are entitled to be represented by legal counsel.

DATED this 20th day of March, 1987.


J. STEVEN EKLUND
Administrative Law Judge
Department of Business Regulation

CERTIFICATE OF MAILING

I hereby certify that on the 23 day of March, 1987. I mailed, certified mail, return receipt requested, a copy of the foregoing Petition for Order Suspending and/or Revoking Exemptions from Registration and Notice of Hearing to HAPS Corporation, 2586 E. Nora Dr., SLC, UT 84124 and to Scott H. Smith, Smith & Headman, 420 E. South Temple, #334, SLC, UT 84111.



SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card being returned to you. The return receipt fee will provide you the name of the person delivering to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery.

3. Article Addressed to:
HAFS CORPORATION
2586 EAST NORA DRIVE
SALT LAKE CITY, UTAH 84124

4. Article Number
P M 804 822

Type of Service:
 Registered
 Certified
 Express Mail
 Insured
 COD

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
Nicole Johnson

6. Signature - Agent
[Signature]

7. Date
3-24-87

PS Form 3811, Feb. 1986



DOMESTIC RETURN RECEIPT