

[Copy of "AVC" between Electracash, Inc., & Iowa Attorney General's Office. Ann'd 2/15/05.]

ASSURANCE OF VOLUNTARY COMPLIANCE

This Assurance of Voluntary Compliance (the "Agreement") is entered into by and between the Attorney General for the State of Iowa (the "Attorney General") and Electracash, Inc., ("Electracash") this ~~30th~~ day of December, 2004.

WHEREAS, the Attorney General of Iowa, pursuant to Iowa Code § 714.16 (2003), has the duty of enforcing the laws of the State of Iowa relating to the business practices that are the subject of this Agreement;

WHEREAS, Electracash is a corporation organized and existing pursuant to the laws of California, with its principal place of business at 2501 Cherry Avenue, Suite 360, Signal Hill, CA 90755;

WHEREAS, the Attorney General asserts that in recent years numerous telemarketing operations based in Canada have victimized U.S. consumers and therefore Canadian telemarketers should be subjected to heightened scrutiny for possible fraud;

WHEREAS, the Attorney General alleges that Electracash has processed ACH transactions for Millenium Consulting d/b/a MedSupply, a company doing business out of Canada ("Millenium");

WHEREAS, the Attorney General alleges that ACH transactions initiated by Millenium have in fact defrauded citizens of the State of Iowa;

WHEREAS, the Attorney General alleges that jurisdiction lies over Electracash and Millenium;

WHEREAS, the Attorney General has alleged that Electracash violated the Iowa Consumer Fraud Act, Iowa Code § 714.16 (2003), and the Telemarketing Sales Rule, 16 CFR