

**BEFORE THE SECURITIES COMMISSIONER
FOR THE STATE OF DELAWARE**

IN THE MATTER OF:)
)
JAMES PATRICK CAHILL d/b/a) **CASE NO. 99-03-01**
DELAWARE FINANCIAL)
INSURANCE AND INVESTMENT, INC.)

CONSENT ORDER

For the purposes of settling the above-referenced matter, James B. Ropp, Securities Commissioner of the State of Delaware ("Commissioner") and James Patrick Cahill d/b/a Delaware Financial Insurance and Investment, Inc. ("Respondents"), with the respondents neither admitting nor denying the findings or conclusions set forth herein, do hereby consent to the entry of this order instituting an administrative proceeding, making findings and imposing sanctions as set forth below.

I. Background and Findings:

1. At all relevant times Delaware Financial Insurance and Investment, Inc. ("DFII") was a Delaware Corporation and its primary business was the sale of insurance products. The last known business address for DFII was 2503 Centre Road, Wilmington, Delaware 19805.

2. At all relevant times, James Patrick Cahill ("Cahill") was the President and controlling person of DFII. James Patrick Cahill's current home address is

3. James Patrick Cahill issued a Promissory note to _____; (" ") in the amount of \$15,000.00 with interest at twelve percent (12%) for a term of 36 months. Payment in the amount of \$17,935.73, was due to _____ on September 9,

2001. This transaction occurred at Respondent's aforementioned place of business in the State of Delaware.

4. Pursuant to 6 Del. C. §7302(13), "any note" is defined as a security for purposes of the Delaware Securities Act.

5. The promissory note evidencing the agreement between Ms. _____ and James P. Cahill was not registered pursuant to 6 Del. C. §7304, nor was it exempt from registration under the Delaware Securities Act.

6. During the relevant time period, neither James P. Cahill, nor DFII were registered to offer or sell securities in Delaware.

7. Respondents, by the actions alleged in paragraphs one through six, offered and sold an unregistered security in violation of 6 Del. C. §7304.

8. Respondents, in the acts alleged in paragraphs one through seven, offered or sold a security in the State of Delaware without being registered to offer or sell a security in violation of 6 Del. C. §7313.

II Agreement:

In view of the foregoing, without admitting or denying the facts set forth above, the Respondents agree to the following:

9. Respondents voluntarily consent to the entry of this order and represent and stipulates that no employee or representative of the Securities Division has made any promise, or threat to induce its execution.

10. Respondents voluntarily waives the right to an administrative hearing in this matter, and any appeal therein under the Delaware Securities Act.

11. Respondents agree upon executing of this Consent Order, to pay

\$15,000.00 to _____, by mailing a check to her at _____,

_____. Payment shall be received by _____ no later than January 30, 2001.

12. Respondents agree to cease and desist all violations of the Delaware Securities Act and refrain from any future violation of the Act.

13. Respondents understand this Order in being executed solely for the purpose of resolving and settling this dispute arising out of the specific matter in the above-referenced paragraphs. This Order shall have no effect on the ability of the Security Commissioner, or his agents, to take action with regard to any conduct that may have occurred in unrelated matters, or which may occur, subsequent to the date of entry of this Order.

II Order:

In view of the foregoing, the Securities Commissioner has determined that it is in the public's interest to accept Respondent's offer of settlement. Accordingly, it is hereby ordered that:

1. Respondents pay restitution to _____ in the manner set forth in paragraph 11.

2. Respondents shall cease and desist all violations of the Delaware Securities Act.

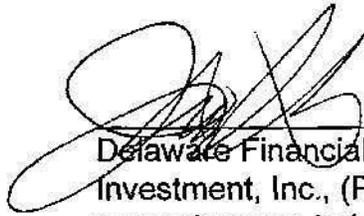
3. Respondents shall not commit future violations of the Delaware Securities Act.

4. The Securities Commissioner's resolution of this action and termination of the investigation in the above matter is conditioned upon, and subject to, payment of

the restitution to

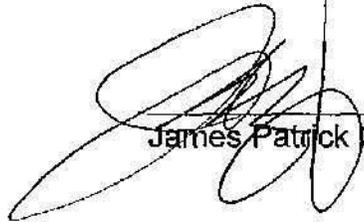
as specified in paragraph 11 of the Consent Order.

EXECUTED this 31 day of January, 2001.



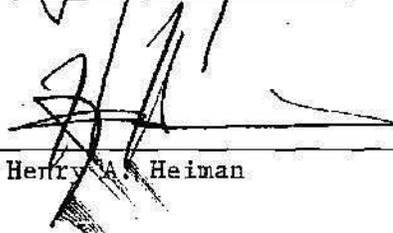
Delaware Financial and Insurance
Investment, Inc., (Please print authorized
person's name below JAMES P. CAHILL)

EXECUTED this 31 day of January, 2001



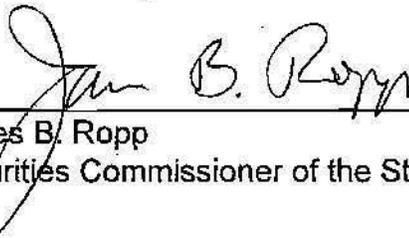
James Patrick Cahill

EXECUTED this 31 day of January, 2001.



Henry A. Heiman

ENTERED this 1st day of February, 2001.



James B. Ropp
Securities Commissioner of the State of Delaware