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SENIOR MANAGEMENT

CEO LEVEL

Executive Experience in \$100 Million Diversified Company

Profit/Loss Responsibility

Particular Strength in

- o CAPITAL MANAGEMENT
  - o TECHNICAL ASSISTANCE
  - o PRODUCT DEVELOPMENT
  - o OPENING NEW MARKETS
- =====

AREAS OF SPECIAL COMPETENCE AND ACHIEVEMENTS

- o TOTAL MANAGEMENT CONCEPT Management performance reveals strength in all aspects...start-up, forward planning, budgeting, cost containment, financial planning, production, market development, sales management, raising capital. Successfully launched several businesses filling needs dictated by advances in technology, building them rapidly to major profit producers...a leasing operation initiated quickly produced \$306,000 per month for an 11.6% return on investment.
  - o START-UP Founded own communications equipment brokerage firm...built it from zero sales to \$2 million gross in 3 years. Sold company profitably ...remaining its president on a management contract...within another 6 years built gross to \$10 million. Using the firm as a base, created associated and highly profitable related operations under corporate umbrella.
  - o RESOURCE UTILIZATION Quick to see the possibilities of creating service organizations needed to open up sales possibilities for sophisticated equipment produced by the firm. As a result, created highly successful technical assistance enterprise, equipment leasing firm, overhaul and repair network.
  - o INNOVATIVE Created, developed, marketed new products which virtually revolutionized industry in which these were used...as for example, the Autoticketer for travel industry and commercial users that generated sales for 2,000 systems in less than 18 months of production.
  - o MARKET DEVELOPMENT In the introduction of new products and services, demonstrated high level of ability to penetrate new markets and overcome initial resistance to new concepts. List of accounts reads like a Who's Who in American industry...Digital Equipment, Data General Corporation, Control Data, Memorex, Hewlett-Packard, General Motors, Montgomery Ward, Ramada Inns, IBM, Pennzoil, FAA, Mexican equivalent of FAA, Best Western Hotels, to name a few.
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AREAS OF SPECIAL COMPETENCE AND ACHIEVEMENTS (continued)

o GROWTH INDUSTRY  
EXPERTISE

As a recognized expert in marketing and sales of high technology equipment, has guided all enterprises managed through the difficult period of initiation, development of its market, and expansion. In the words of a CEO of a major purchaser-account... "Not only did (Mr. Vardon) build a fine product, he also established a national sales and distributor network unequalled in the industry."

o HIGH TECHNOLOGY  
EXPERTISE

The president of Data Communication Equipment Brokers states "(Mr. Vardon's) engineering understanding of data and telecommunications is unique in the industry." This is a natural outcome of a Navy background in data and telecommunications at the threshold of line production of communication equipment for wide consumption, a unique 13-year opportunity for training and growth keeping pace with the industry itself.

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HIGHLIGHTS OF EXPERIENCE

PRESIDENT  
1980 - present

Vardon Enterprises, South Padre Island, Texas

Provides high level consulting services in reorganization of companies through new directions in capital management and the introduction of new operational systems, among them their computer terminal systems and facilities, to improve cash flow and liquidity and to reduce vulnerability in a period of sluggish economic activity. Major clients have been in the transportation and computer systems industries.

PRESIDENT  
1971 - 1974

Vardon & Associates, Inc., Dallas, Texas

Formed business primarily as a brokerage company for data communications equipment such as teletype equipment, modems and associated peripherals. By 1974 had built sales volume from zero to \$2 million gross, which attracted purchase offer from Pioneer Texas, the large holding company for such enterprises as Hydrotex Oil Lubricants, Burton Shipyards, Walraven Book Cover Company (the largest firm of its kind in the U.S.), among others.

1974 - 1980

Vardon & Associates became a wholly-owned subsidiary of Pioneer Texas which is listed on the American Stock Exchange as a \$100 million company. Remained president of the subsidiary on a one year management contract...wound up staying 6 years. From 1974 to 1980, built the business from \$2 million to \$10 million through implementation of an ambitious and highly successful program of expansion, entry into totally innovative ventures to fill needs of the market for products and services geared to advances in modern business.

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HIGHLIGHTS OF EXPERIENCE (continued)

1974 - 1980

As president of Vardon & Associates, served also as president of six divisions including...

- o Technical Assistance Brokers. Leased and serviced data communications equipment nationwide, hiring local companies to service the equipment sold. In addition, managed service for other companies such as Montgomery Ward, Ramada Inns, Best Western Hotels among others. Used in-house computer to have status of all operations easily accessed. Division had 120 employees, including service managers in key cities, marketing, accounting, office personnel plus sales representatives. By 1980, TAB was grossing just under the \$1 million mark per year.
- o Envax. Created a product division with hardware/software engineering staff, along with manufacture of the microprocessor for interfacing any data communications terminal to any public communications system worldwide. Although today the equipment is used worldwide, it was at that time an innovation so radical that it required a marketing campaign based on educating potential users. Initial network users included Gerber Baby Food, Continental Trailways (Trailnet), GTE Sylvania.
- o Among the innovative products created by the firm was the autoticketer which automatically printed tickets for travel industry and commercial users such as IBM, Hewlett-Packard, General Motors. In less than 18 months after on-line production, had shipped and installed more than 2,000.
- o Leasing Data Communication Equipment. Another new concept introduced by the group was a lease base of data communications terminals which by 1980 was grossing \$306,000 per month (close to \$4 million a year), returning 11.6% per month on investment. Operations involved renting TWX's, Telex machines, credit checking terminals, computer aid instruction terminals, the Envax communications systems, Autoticketers nationwide, and providing servicing.
- o Teck-Com, Inc. Still another enterprise developed under the aegis of Vardon & Associates producing low-speed modems for the data communications industry.
- o International Computer Corporation, Inc. This is a special service corporation, established to perform overhaul work on teletypewriters for the Federal Aviation Administration.

SALES MANAGER

Data Automation Communications, Dallas, Texas

1969 - 1971

Began as field service representative for the firm in Dallas. Then became sales manager for the company based in Chicago.

COMMUNICATIONS

U.S. Navy

1957 - 1969

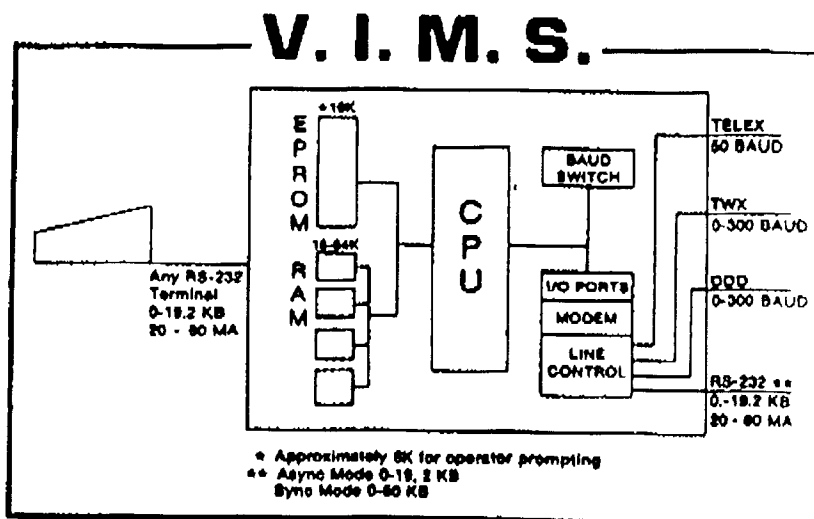
Special field was communications with Crypto systems. Initial training covered all state-of-the-art aspects of communications available at the time. Has the distinction of attaining the highest grade ever attained in Navy's Crypto School.

# NEW PRODUCT ANNOUNCEMENT

RELEASE: 1978 - MARKET NAME FOR PRODUCT "ENVAX" - FURTHER DEVELOPED TO FIRST PC'S IN 1980

**A TECHNOLOGICAL BREAKTHROUGH IN TELECOMMUNICATIONS HAS BEEN DEVELOPED BY VARDON & ASSOCIATES TO REVOLUTIONIZE THE TELECOMMUNICATIONS TERMINAL INDUSTRY!!!!**

Ken Vardon, President of Vardon & Associates, in announcing the **VARDON INTEGRATED MICROCOMMUNICATIONS SYSTEM, (V.I.M.S.)** said, "We are very pleased after months of development to introduce a State-of-the-Art device which combines all functions of the Standard Office Typewriter, Word Processors and Computer Terminals, all with communications capabilities into Telex, TWX, DDD and Private Line Networks, into one single unit. This unit will be marketed by Vardon & Associates at an extremely attractive price."



## FEATURES:

- **TOTAL TELECOMMUNICATIONS** - offering combined I/O operation via TELEX, TWX, DDD and Private Line from one terminal.
- **KEYBOARD SELECTION OF OPERATION MODE** - operator selects desired transmission mode and dials desired number via keyboard. Dialed number then becomes permanent part of message.
- **MEMORY** - incoming traffic enters memory and is held there until requested.
- **OFF LINE PREPARATION** - lengthy and multiple message editor memory for correction and subsequent transmission.
- **TIME & DATE LINE** - time and date are automatically entered at the end of each message.
- **MESSAGE SWITCHING** - traffic received on one channel may be retransmitted on any other channel (i.e. Telex to TWX or DDD etc.).
- **POLLING** - messages may be prepared, left in memory, and polled by a remote terminal during low cost rate hours.
- **SECURITY** - unlimited code combinations accessed on the keyboard by the operator, provides total message security for confidential traffic.
- **SELF DIAGNOSIS** - system contains built in self test features to pin-point internal problems. All aspects of the microcommunicator are checked.
- **FLEXIBILITY** - the entire integrated microcommunication system has been designed to offer the user flexibility in the application programs it offers and the hardware with which it is compatible; such as Teletype 33, 43; DEC II, III; Diablo 1660; Qume V; Lear Siegler 120 etc.
- **TEXT EDITING AND WORD PROCESSING** - operator prompting allows word processing capabilities.
- **NATIONAL SERVICE** - service will be provided on a nationwide basis by Technical Assistance Brokers (TAB), a division of Vardon & Associates, Inc. TAB currently provides terminal maintenance service in over four hundred locations throughout the United States.



**vardon & associates, inc.**

930 N. Beltline ■ Irving, Texas 75061 ■ 214/252-7502

TWX: 910-860-5781

A SUBSIDIARY OF PIONEER TEXAS CORPORATION

**American Patriot Fax Network**

"Friends Faxing Friends For Freedom"  
Kenneth L. Vardon, Founder (2/21/93)  
3230 E. Flamingo Rd. #352, Las Vegas, Nevada  
VOFAX (702) 226-9075 - FAX: (702) 226-9085

Telex: 730022

As seen in Computerworld, Communications News, and Telecommunications magazines

# INTRODUCING ENVAX 1000

## EN-VAX:

EN: long envoy — a courier  
extraordinary

VA: Vardon & Associates

X: abbrev. transmission ex. unit

## BRINGING TOMORROW'S COMPUTER AND COMMUNICATIONS TECHNOLOGIES INTO TODAY'S TERMINAL

## Time and Date Insertion

Real-time clock keeps track of time and date for automatic insertion at end of message

ENVAX 1000 brings the office of the future to the office of today. Vardon & Associates has listened carefully to what others have been saying and writing about the requirements of the future. We have designed terminal architecture manufacturing ENVAX 1000, a versatile terminal for a future system which finally just never comes out, regardless of life cycle. Whether your business has a single line with a few on-line terminals or a network, the ENVAX can expand to accommodate and improve your efficiency and productivity. It's hard to believe.

## TERMINAL SELECTION

ENVAX accepts any non-intelligent RS232C terminal and provides it with the vast amount of intelligence required for the end user. This is done through a menu each individual user can select the capabilities necessary for his job without the additional expense for unused and unwanted terminal features.

## PROGRAMMING

Programming for ENVAX is contained in EPROMs which cost up to \$300.00, available in the Series 1000. A utility package allows you to download the code to your terminal and download the ENVAX code to your computer. This step-by-step program is activated by a few easy-to-learn commands.

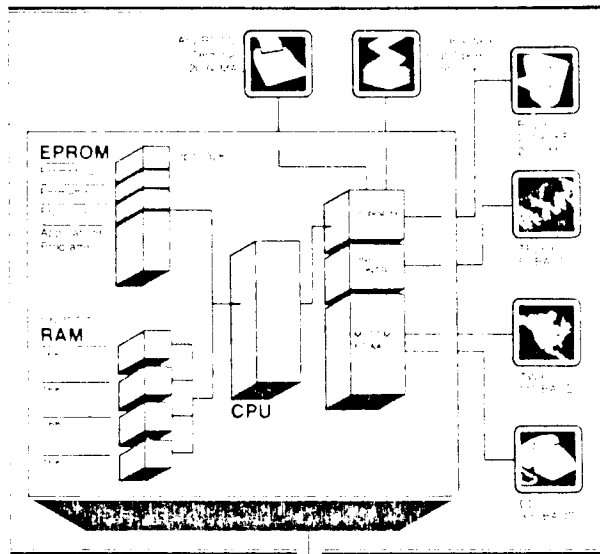
## Formatting

Expect nothing less than the best in terminal formatting. ENVAX has it.

ENVAX has a unique, easy-to-use, menu-driven format.

## Operator Prompting

ENVAX prompts you with the correct terminal mode always displaying the code.



## Text Editing

Full-featured capabilities for line, word, search, insertion, and deletion editing. Line wrap and carriage return.

## Versatility

ENVAX 1000 can be used as a terminal, a printer, a teletype terminal, or a teletype terminal.

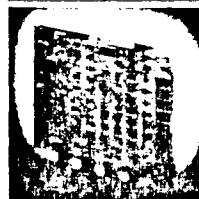
## TELECOMMUNICATIONS FEATURES

Full-featured capabilities for teletype, telex, and TWX.

ENVAX 1000 can be used as a terminal, a printer, a teletype terminal, or a teletype terminal.

## Protocol and/or Code Selection

Automatic selection of protocol and code for teletype, telex, and TWX.



Terminal Buffer, 4096 and 8192 characters with ENVAX.

## Multimessage Formatting

Full-featured capabilities for multimessage formatting.

## Send/Receive Buffer

Full-featured capabilities for send/receive buffer.

## Auto Dial

Full-featured capabilities for auto dial.

## Standard TELEX and TWX Functions

Full-featured capabilities for standard telex and TWX functions.

## HARDWARE FEATURES

### RAM

16K to 64K of Random Access Memory available in 1K increments. Dual in-line between send and receive buffers.

### Modems

Optional modems for all models, maximum 1200 baud rate. Full RS-232C support for TIA and T10 protocols.

### Nonvolatile Memory

Available in 1K to 64K increments. Full-featured capabilities for nonvolatile memory. Built-in erase and study required.

### PIO Port

Parallel interface for printer, teletype, and other peripheral.

### Diagnostics

Built-in diagnostic hardware components.

## Technical Assistance Brokers (TAB)

Technical Assistance Brokers (TAB) is a division of Vardon & Associates, Inc. providing technical assistance and maintenance services for 14,000 terminals, modems, and printers in 14 states. Over 100,000 hours of service are provided through phone, mail, and on-site service.

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ENVAX

For tomorrow's system, today call 800 527 7700 or 214 252 7500

ENVAX is a registered trademark of Vardon & Associates, Inc.

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A Subsidiary of Pioneer Texas Corporation

930 N. Bellme, Irving, Texas 75039 • TX 214 252 7500 • Quota, Texas 806 507 7700 • TX 910 860 5761 • Texas 710 0022

Sales Offices: Dallas, Houston, Atlanta, Philadelphia, New York, Detroit, Chicago, Los Angeles, Cleveland

RICHARD M. HARKREADER, INC.

CERTIFIED PUBLIC ACCOUNTANTS

*A Professional Corporation*

714 SOUTH MADISON, SUITE 101  
MADISONVILLE, TEXAS 77864  
713-348-2705

RICHARD M. HARKREADER, C.P.A.  
ELIZABETH ANN MINZE, C.P.A.

MEMBER  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC  
ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED PUBLIC  
ACCOUNTANTS

To Whom It May Concern:

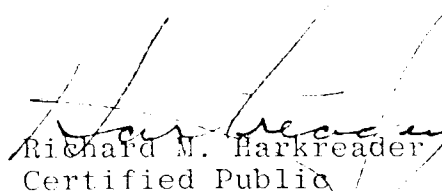
Re: Mr. Kenneth L. Vardon

I have known Mr. Vardon for twelve years. During that period I have, as a direct representative or other participant been involved in a number of financial situations in which Mr. Vardon was a principal. These matters included acquisitions, mergers, reorganizations and liquidations.

In all these and other business arrangements that I have observed, Mr. Vardon displayed in an honorable manner, excellent vision and acuity.

His management experience extends to relations with the Securities and Exchange Commission and other state and federal regulatory agencies.

Within my sphere of the Irving business, banking and professional community during my practice there, Mr. Vardon enjoyed a reputation as an aggressive and able executive.

  
Richard M. Harkreader  
Certified Public  
Accountant

Madisonville, Texas  
March 26, 1983



March 3, 1983

To Whom It May Concern,

For over the ten years that I have known Ken Vardon, I have found him to be a sound, honest businessman.

Ken has, in a timely- and well-planned manner, personally assisted in the installations of more than 400 data terminals for computer-assisted instruction in numerous public schools. In addition, he has developed for CCC's special needs innovative methods for handling service and maintenance requirements.

In commenting on Ken's abilities and achievements, one must look at his impressive record in the marketing of all types of data, computers, and telecommunication products and his personal achievement in the impressive growth of Vardon and Associates, a company he founded and guided to a force in the marketplace.

Ken's integrity is unquestionable in my mind; he will succeed with any venture he undertakes.

Sincerely,

A handwritten signature in cursive script, appearing to read "David N. Voorhees".

David N. Voorhees  
Vice President  
Commercial & Federal Marketing

DNV:cw

# **Penril**

Data Communications Division

3204 Monroe Street, Rockville, MD 20852-4297 (301) 984-8225

March 7, 1983

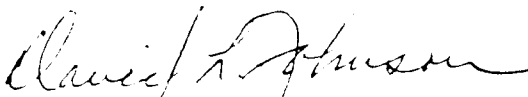
To whom it may concern:

I have known Mr. Ken Vardon for over eight years, and was employed by his company, Vardon & Associates for approximately two years. During this time, the company experienced phenomenal growth and was subsequently acquired by Pioneer Texas Corporation.

After leaving Vardon & Associates, I have stayed in touch with Ken, and have been very much aware of his continued success with his business endeavors.

Ken enjoys an excellent reputation throughout the Data Communications industry, and I highly recommend him for participation in any business venture.

Sincerely,



David L. Johnson  
Vice President  
Sales & Marketing

DLJ/cea





# Data Communications International, Inc.

Suite 350 • 2636 Walnut Hill Lane • Dallas, Texas 75229

March 1, 1983

To Whom It May Concern:

I have known Mr. Ken Vardon since 1967, at which time he began a Teletype repair company located in Irving, Texas. Through the years I have watched Mr. Vardon build this company into a profitable business of new and innovative communications devices.

I have purchased, in large quantities, data communications equipment from Mr. Vardon during this time. Not only did he build a fine product, but also established a national sales and distributor network unequalled in the industry.

Ken Vardon's expertise is not only in building a profitable business, but also encompasses managing and distributing products of this nature.

I have worked with Mr. Vardon over the last 15 years, and look forward to investing or participating in any venture that I deem profitable.

If I can furnish you with any additional information, please feel free to contact me at (214)247-3373.

Sincerely,

A handwritten signature in black ink, appearing to read 'W.F. Scott'. The signature is written in a cursive, somewhat stylized script. The 'W' and 'F' are prominent, and the 'S' is written with a large, sweeping loop. The signature is positioned directly below the word 'Sincerely,'.

W.F.Scott

WFS:mgj

# DCEB

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## *Data Communication Equipment Brokers, Inc.*

March 7, 1983

Re: Mr. Kenneth L. Vardon

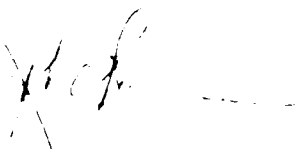
To Whom It May Concern:

Mr. Vardon and I have been business associates for approximately 14 years. More specifically, between 1969 and 1971, Mr. Vardon and I represented Data Automation Communication which was successful in landing the single largest computer terminal order in the history of the data communication market with General Motors Corporation. Data Automation Communication was given the task of designing a dealer communication network which Ken Vardon personally engineered and designed. After that, Ken flew around the Country managing the implementation of the same system.

Shortly thereafter, Ken started Vardon & Associates to market data and telecommunications equipment. Our companies enjoyed a close relationship while Mr. Vardon was the President of this company. During that time, Envax, a unique telecommunications product was developed under the direct supervision of Mr. Vardon.

Since 1979, Mr. Vardon and Data Communication Equipment Brokers, Inc., as well as myself personally, have entered into various consulting and business transactions together. Mr. Vardon is fully versed in capital management as well as the daily operations of running a company. His engineering understanding of data and telecommunications is unique in the industry.

Sincerely,



John C. Pruner  
President

JCP:jmr

# Carterfone



## Corporate Headquarters:

Carterfone Communications Corporation  
1111 W. Mockingbird Lane, Suite 1400  
Dallas, Texas 75247  
(Area Code 214) 630-9700

September 18, 1984

Mr. Kenneth Vardon  
Vardon Enterprises, Inc.  
P. O. Box 3115  
South Padre Island, Texas 78597

Dear Mr. Vardon:

I am in receipt of your letter of September 13th referencing our discussions concerning the possible use of your services for the disposal of certain used equipment assets owned by Carterfone.

*THIS IS NOT TRUE-*

As you are aware, employment of your services was dependent on a mutual agreement as to the value of the assets. After agreement of the asset value a written agreement would be signed. Any monies paid in advance of the written agreement would then be in the form of a recoverable draw against an agreed to price for the assets. Since there was no agreement as to the value of the assets, nor a written agreement as to the amount of monies earned for sale of the assets, no fees, commissions or other monies were earned.

*AS OF 11/12/84 NOT PD*

Actual expenses incurred by you during our discussions will be paid by Carterfone upon submission of receipts and documents which verify the expenditures.

Please call me if you have any questions.

Sincerely,

CARTERFONE COMMUNICATIONS CORPORATION

Terry Schmidt  
Vice President & General Manager  
Information Systems Division

TS/jk

cc: Tom Brady  
Lloyd Basham  
Joe Ducey

Joe Bühlmann  
Weinberglistr. 79  
CH-6005 Luzern/SWITZERLAND

23rd of June 1994



Dear Mr. Vardon and dear Sons/Daughters of Liberty,

As a Swiss patriot who stands for Freedom and Democracy I submit to you a one-hundred Dollar-Bill which is more a symbolic contribution than a financial support to your continued efforts to deliver your Great Contry which has a divine destiny to guard the Freedom for all mankind. Too well I know that if Freedom in America were to fail, nowhere on earth would there be hope for Freedom.

Mr.  
K. Vardon / APFN

US-Las Vegas 89121 NEVADA

U.S.A.

A friend of Yours from Switzerland,

APFN  
American Patriot Fox Network  
"Friends Facing Friends"  
Fax: 702-433-95



## WHY WE FIGHT



AISHA GYARFAS 1975 - 1993  
DIED IN WACO HOLOCAUST