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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF:

FOUNTAIN CAPITAL MANAGEMENT, LLC
c/o DAVID A. FAZIO
3616 West Cortez
Phoenix, AZ 85029

INTERGROWTH FINANCIAL GROUP
c/o ROGER ALVIN SANDE
CDC # V06974
P.O. Box 2210
Susanville, CA 96130

RICHARD A. FANDRICH
11424 North 25th Avenue
Phoenix, AZ 85029

DAVID A. and DEBORAH FAZIO
3616 West Cortez
Phoenix, AZ 85029

DONALD and HELEN ABERNATHY
2323 North Central Avenue, #803
Phoenix, AZ 85004

STEPHEN A. AND CHERYL J. HILTBRAND
2156 E. Estrella Circle
Mesa, AZ 85202

ROBERT ALVIN SANDE
CDC # V06974
P.O. Box 2210
Susanville, CA 96130

Respondents.

DOCKET NO. S-03505A-04-0000

Arizona Corporation Commission

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FIFTH
PROCEDURAL ORDER

BY THE COMMISSION:

On May 7, 2004, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Fountain Capital Management, LLC ("FCM"), Intergrowth Financial Group ("IFG"), Richard A. Fandrich, David A. and Deborah Fazio, Donald and Helen Abernathy, Stephen A. and Jane Doe Hiltbrand and

1 Roger Alvin Sande (collectively "Respondents") in which the Division alleged multiple violations of
2 the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of
3 viatical contracts and investment contracts.

4 All Respondents have been duly served with a copy of the Notice except Donald and Helen
5 Abernathy who have moved from Arizona.

6 On May 21, 2004, requests for hearing were filed for FCM, David A. and Deborah Fazio.

7 On May 24, 2004, a request for hearing was filed for Stephen A. and Cheryl J. Hiltbrand.

8 On June 7, 2004, by Procedural Order, a pre-hearing conference was scheduled for June 30,
9 2004.

10 On June 9, 2004, counsel for FCM and the Fazio Respondents filed a Motion for Extension of
11 Time to File Answer ("Extension Motion") until June 18, 2004. The Extension Motion indicated that
12 the Division did not oppose it.

13 On June 11, 2004, counsel for the Hiltbrands filed their Answer and demanded a jury trial.

14 On June 15, 2004, by Procedural Order, the Extension Motion was granted.

15 On June 18, 2004, an Answer was filed for FCM and the Fazios.

16 On June 30, 2004, a pre-hearing conference was held as scheduled earlier. The Division,
17 FCM, the Fazios and the Hiltbrands were represented by counsel. The Division and counsel who
18 were present for the Respondents, FCM, the Fazios and Hiltbrands agreed that another pre-hearing
19 conference should be scheduled on August 10, 2004, while a possible resolution of the allegations
20 raised in the Notice was discussed.

21 On July 1, 2004, by Procedural Order, a pre-hearing conference was scheduled for August 10,
22 2004.

23 On August 10, 2004, at the pre-hearing conference, the Division, FCM, the Fazios and the
24 Hiltbrands were represented by counsel. The parties agreed to schedule a hearing starting on
25 November 8, 2004, since a settlement had not been reached.

26 On August 10, 2004, by Procedural Order, the hearing was scheduled to commence on
27 November 8, 2004 and copies of the witness lists and exhibits were to be exchanged by October 15,
28 2004.

1 On October 18, 2004, the Division, FCM, the Fazios and the Hiltbrands filed a stipulation to
2 extend the date for exchanging copies of witness lists and exhibits to October 22, 2004.

3 Accordingly, the date for the exchange of copies of witness lists and exhibits should be
4 extended as stipulated.

5 IT IS THEREFORE ORDERED that the Division and Respondents shall exchange, by
6 October 22, 2004, copies of their exhibits and copies of their witness lists with courtesy copies
7 provided to the presiding Administrative Law Judge.

8 IT IS FURTHER ORDERED that all other provisions of the August 10, 2004, Procedural
9 Order shall remain in effect.

10 Dated this 20th day of October, 2004

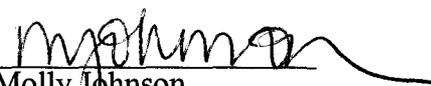
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12
13 
14 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

15 Copies of the foregoing were mailed/delivered
16 this 20 day of October, 2004 to:

17 Alan Baskin
18 BADE & BASKIN
19 80 East Rio Salado Parkway, Ste. 515
20 Tempe, AZ 85281
21 Attorneys for Stephen A. and Cheryl Hiltbrand

22 Michael Salcido
23 RENAUD COOK DRURY MESAROS, P.A.
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25 One North Central, Ste. 900
26 Phoenix, AZ 85004-4417
27 Attorneys for Fountain Capital Management, LLC, and David A. and Deborah Fazio

28 Matt Neubert, Director
Securities Division
ARIZONA CORPORATION COMMISSION
1300 West Washington Street
Phoenix, AZ 85007

29 By: 
30 Molly Johnson
31 Secretary to Marc E. Stern