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5
6 *Attorneys for Linda Jordan-Van Vranken and
Russell Langdon Van Vranken*

BEFORE THE ARIZONA CORPORATION COMMISSION

10 In the matter of:
11 TREND MANAGEMENT GROUP, INC., a
Nevada corporation
12 8601 Six Forks Road, Suite 400
Raleigh, NC 27615
13
14 SCOTT RENNY BOGUE, SR. (CRD #1588216)
and ARLENE JANE BOGUE, husband and wife
12308 Camberwell Court
15 Raleigh, NC 27614
16 RYAN JAMES HERNDON and LORI DARLENE
HERNDON (a/k/a LORI J. HERNDON a/k/a LORI
17 JORDAN), husband and wife
609 E. Silverwood Drive
18 Phoenix, AZ 85048
19 TREND CAPITAL, LLC, an Arizona limited
liability company
20 4025 E. Chandler Blvd., Suite 70F15
Phoenix, AZ 85048
21
22 LINDA BRYANT JORDAN (a/k/a LINDA VAN
VRANKEN a/k/a LINDA JORDAN-VAN
VRANKEN), a married person, individually and
23 doing business as The Trend Group, Inc.
3641 E. Park Avenue
24 Phoenix, AZ 85044
25 RUSSELL LANGDON VAN VRANKEN, husband
of LINDA BRYANT JORDAN
26 3641 E. Park Avenue
Phoenix, AZ 85044

Docket No. S-20476A-06-0557

**ANSWER OF LINDA JORDAN-
VAN VRANKEN AND RUSSELL
LANGDON VAN VRANKEN**

1 CHRISTOPHER ELLIS MARX (CRD #2186523)
2 and JANE DOE MARX, husband and wife
3 6623 W. Desert Hollow Drive
4 Glendale, AZ 85310

4 SCOT ALAN OGLESBY and LORI ANN
5 OGLESBY, husband and wife
6 36322 N. 12th Ave.
7 Desert Hills, AZ 85086

8 Respondents.

9 Respondents Linda Jordan-Van Vranken (“Jordan”) and Russell Langdon Van Vranken,
10 husband of Linda Jordan-Van Vranken (“Van Vranken”), submit the following answer to the
11 Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order for
12 Restitution, Order for Administrative Penalties and for Other Affirmative Action. Jordan and
13 Van Vranken deny engaging in acts, practices or transactions that constitute violations of the
14 Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* (“Securities Act”). In the following answer,
15 Respondents Jordan and Van Vranken (collectively “Respondents”), deny every allegation not
16 expressly admitted herein. For their answer, Respondents admit, deny and aver as follows:

17
18 **I. JURISDICTION**

19 1. Admit.

20
21 **II. RESPONDENTS**

22 2. Answering paragraph 2, Respondents are without information sufficient to form a
23 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

24 3. Answering paragraph 3, Respondents are without information sufficient to form a
25 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
26

1 4. Answering paragraph 4, Respondents are without information sufficient to form a
2 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

3
4 5. Respondents admit the allegations contained in paragraph 5.

5 6. Answering paragraph 6, Respondents admit the first sentence. As to the remaining
6 allegations in paragraph 6, Respondents are without information sufficient to form a belief as to
7 the truth or falsity of the allegations contained therein, and therefore deny same.

8 7. Admit.

9
10 8. Admit.

11 9. Answering paragraph 9, Respondent Jordan denies doing business under the name
12 The Trend Group, Inc. ("Trend Group"), and further denies ever making an initial application to
13 register the Trend Group as a corporation in the State of Nevada. Respondent Jordan admits that
14 the Trend Group is currently in default as of August 1, 2005. As to the remaining allegations of
15 paragraph 9, Respondents are without information sufficient to form a belief as to the truth or
16 falsity of the allegations contained therein, and therefore deny same.

17
18 10. Respondents admit that Van Vranken is the spouse of Jordan. In response to the
19 remaining allegations contained in paragraph 10, Respondents are without information sufficient
20 to form a belief as to the truth or falsity of the allegations, and therefore deny same.

21
22 11. Answering paragraph 11, Respondents are without information sufficient to form a
23 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

24
25 12. Answering paragraph 12, Respondents are without information sufficient to form a
26 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

1 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

2 23. Answering paragraph 23, Respondents are without information sufficient to form a
3 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
4

5 24. Answering paragraph 24, Respondents are without information sufficient to form a
6 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

7 25. Answering paragraph 25, Respondent Jordan denies aiding and abetting Mr.
8 Bogue and/or Mr. Herndon. Respondent Jordan admits that bank accounts were opened under
9 the name of The Trend Group, Inc. ("Trend Group"). Jordan denies doing business as the Trend
10 Group and further denies facilitating the business operations of Trend Capital, LLC ("Trend
11 Capital"). Jordan admits that she handled certain funds and paid business expenses for Trend
12 Capital at the direction of its member, Ryan Herndon.
13
14

15 **B. TREND MANAGEMENT GROUP, INC.**

16 26. Answering paragraph 26, Respondents are without information sufficient to form a
17 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

18 27. Answering paragraph 27, Respondents are without information sufficient to form a
19 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
20

21 28. Answering paragraph 28, Respondents are without information sufficient to form a
22 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

23 29. Answering paragraph 29, Respondents are without information sufficient to form a
24 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
25

26 30. Answering paragraph 30, Respondents are without information sufficient to form a

1 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

2 31. Answering paragraph 31, Respondents are without information sufficient to form a
3 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
4

5 32. Answering paragraph 32, Respondents are without information sufficient to form a
6 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
7

8 33. Answering paragraph 34, Respondents are without information sufficient to form a
9 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
10

11 34. Answering paragraph 34, Respondents are without information sufficient to form a
12 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
13

14 35. Answering paragraph 35, Respondents are without information sufficient to form a
15 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
16

17 36. Answering paragraph 36, Respondents are without information sufficient to form a
18 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
19

20 37. Answering paragraph 37, Respondents are without information sufficient to form a
21 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
22

23 38. Answering paragraph 38, Respondents are without information sufficient to form a
24 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
25

26 39. Answering paragraph 39, Respondents are without information sufficient to form a
belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
27

28 40. Answering paragraph 40, Respondents are without information sufficient to form a
belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
29

1 Trend Group accounts was used to distribute funds to Trend Capital investors. Respondent
2 Jordan admits that money was deposited in another US Bank Trend Group Account, some of
3 which was used to pay business expenses of Trend Capital. As to the remaining allegations of
4 paragraph 58, Respondents are without information sufficient to form a belief as to the truth or
5 falsity of the allegations contained therein, and therefore deny same.
6

7 59. Answering paragraph 59, Respondents are without information sufficient to form a
8 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
9

10 60. Answering paragraph 60, Respondent Jordan admits that certain individuals were
11 provided with a brochure with the name Trend Group. Respondent Jordan admits that
12 individuals were given business cards with Jordan's name as the Director of Client Services for
13 Trend Group. Respondent Jordan asserts that she provided the brochure and business cards at
14 the direction of Ryan Herndon. As to the remaining allegations of Paragraph 60, Respondents
15 are without information sufficient to form a belief as to the truth or falsity of the allegations
16 contained therein, and therefore deny same.
17

18 **E. EASY STREET FINANCIAL GROUP, INC.**
19

20 61. Answering paragraph 61, Respondents are without information sufficient to form a
21 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

22 62. Answering paragraph 62, Respondents are without information sufficient to form a
23 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
24

25 63. Answering paragraph 63, Respondents are without information sufficient to form a
26 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

1 64. Answering paragraph 64, Respondents are without information sufficient to form a
2 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

3 65. Answering paragraph 65, Respondents are without information sufficient to form a
4 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
5

6 66. Answering paragraph 66, Respondents are without information sufficient to form a
7 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
8

9 67. Answering paragraph 67, Respondents are without information sufficient to form a
10 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

11 68. Answering paragraph 68, Respondents are without information sufficient to form a
12 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
13

14 69. Answering paragraph 69, Respondents are without information sufficient to form a
15 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

16 70. Answering paragraph 70, Respondents are without information sufficient to form a
17 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
18

19 71. Answering paragraph 71, Respondents are without information sufficient to form a
20 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

21 72. Answering paragraph 72, Respondents are without information sufficient to form a
22 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
23

24 73. Answering paragraph 73, Respondents are without information sufficient to form a
25 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
26

1 **(1) BEGINNING OF THE EASY STREET/TREND CAPITAL/
2 TREND MANAGEMENT RELATIONSHIP**

3 74. Answering paragraph 74, Respondents are without information sufficient to form a
4 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

5 75. Answering paragraph 75, Respondents are without information sufficient to form a
6 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

7 76. Answering paragraph 76, Respondents are without information sufficient to form a
8 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

9 77. Answering paragraph 77, Respondents are without information sufficient to form a
10 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
11

12 **(2) SECURITIES SALES BY EASY STREET**

13 78. Answering paragraph 78, Respondents are without information sufficient to form a
14 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
15

16 79. Answering paragraph 79, Respondents are without information sufficient to form a
17 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
18

19 80. Answering paragraph 80, Respondents are without information sufficient to form a
20 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
21

22 81. Answering paragraph 81, Respondents are without information sufficient to form a
23 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

24 82. Answering paragraph 82, Respondents are without information sufficient to form a
25 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
26

 83. Answering paragraph 83, Respondents are without information sufficient to form a

1 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

2 84. Answering paragraph 84, Respondents are without information sufficient to form a
3 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
4

5 85. Answering paragraph 85, Respondents are without information sufficient to form a
6 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
7

8 **IV. VIOLATION OF A.R.S. § 44-1841**

9 **(Offer or Sale of Unregistered Securities)**

10 86. Answering paragraph 86, Respondents are without information sufficient to form a
11 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

12 87. Answering paragraph 87, Respondents are without information sufficient to form a
13 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
14

15 88. Answering paragraph 88, Respondents are without information sufficient to form a
16 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
17

18 **V. VIOLATION OF A.R.S. § 44-1841**

19 **(Offer or Sale of Unregistered Securities)**

20 89. Answering paragraph 89, Respondents are without information sufficient to form a
21 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

22 90. Answering paragraph 90, Respondents are without information sufficient to form a
23 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
24

25 91. Answering paragraph 91, Respondents are without information sufficient to form a
26 belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

1 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

2 101. Answering paragraph 101, Respondents are without information sufficient to form
3 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
4

5 **X. VIOLATION OF A.R.S. § 44-1842**

6 **(Transactions by Unregistered Dealers or Salesmen)**

7 102. Respondent Jordan denies the allegations in paragraph 102.

8 103. Respondent Jordan denies the allegations in paragraph 103.
9

10 **XI. VIOLATION OF A.R.S. § 44-1842**

11 **(Transactions by Unregistered Dealers or Salesmen)**

12 104. Answering paragraph 104, Respondents are without information sufficient to form
13 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

14 105. Answering paragraph 105, Respondents are without information sufficient to form
15 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
16

17 **XII. VIOLATION OF A.R.S. § 44-1991**

18 **(Fraud in Connection with the Offer or Sale of Securities)**

19 106. Answering paragraph 106, Respondents are without information sufficient to form
20 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

21 107. Answering paragraph 107, Respondents are without information sufficient to form
22 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
23

24 **XIII. VIOLATION OF A.R.S. § 44-1991**

25 **(Fraud in Connection with the Offer or Sale of Securities)**

26 108. Answering paragraph 108, Respondents are without information sufficient to form

1 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

2 109. Answering paragraph 109, Respondents are without information sufficient to form
3 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
4

5 **XIV. VIOLATION OF A.R.S. § 44-1991**

6 **(Fraud in Connection with the Offer or Sale of Securities)**

7 110. Respondent Jordan denies directly or indirectly participating in an offer for sale of
8 securities within Arizona, or participating in: (i) a device, scheme or artifice to fraud; (ii)
9 making any untrue statements of material fact or omissions to statements of material facts; and
10 (iii) engaging in transactions, practices or courses of business which operated or would operate
11 as a fraud or deceit upon offerees and/or investors. Specifically:
12

13 a) Answering paragraph 110(a), Respondent Jordan denies having knowledge
14 of a Pennsylvania Order against SCOTT RENNY BOGUE, SR., and admits that she did not
15 disclose something that she did not know.
16

17 b) Answering paragraph 110(b), Respondent Jordan denies making false
18 statements to investors.

19 c) Answering paragraph 110(c), Respondents are without information
20 sufficient to form a belief as to the truth or falsity of the allegations contained therein, and
21 therefore deny same.
22

23 d) Answering paragraph 110(d), Respondents are without information
24 sufficient to form a belief as to the truth or falsity of the allegations contained therein, and
25 therefore deny same.
26

1 e) Answering paragraph 110(e), Respondents are without information
2 sufficient to form a belief as to the truth or falsity of the allegations contained therein, and
3 therefore deny same. In answering Paragraph 110, the Respondents deny every allegation not
4 expressly admitted therein.
5

6 111. Answering paragraph 111, Respondents are without information sufficient to form
7 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
8

9 **XV. VIOLATION OF A.R.S. § 44-1991**

10 **(Fraud in Connection with the Offer or Sale of Securities)**

11 112. Answering paragraph 112, Respondents are without information sufficient to form
12 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
13

14 113. Answering paragraph 113, Respondents are without information sufficient to form
15 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
16

17 114. Answering paragraph 114, Respondents are without information sufficient to form
18 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
19

20 115. Answering paragraph 115, Respondents are without information sufficient to form
21 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
22

23 116. Answering paragraph 116, Respondents are without information sufficient to form
24 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.
25

26 117. Answering paragraph 117, Respondents are without information sufficient to form
a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

118. Answering paragraph 118, Respondents are without information sufficient to form

1 a belief as to the truth or falsity of the allegations contained therein, and therefore deny same.

2 **XVI. REQUESTED RELIEF**

3 In response to the Division's request for relief against Respondents, Respondents request
4 that the Commission dismiss the complaint and deny the Division's request for relief.
5

6 **XVII. HEARING OPPORTUNITY**

7 Respondents previously filed a request for hearing.

8 **AFFIRMATIVE DEFENSES**

9 Respondents reserve the right to assert any and all affirmative defenses available under
10 Rule 8(c), Ariz.R.Civ.P., including assumption of risk, contributory negligence, duress,
11 estoppel, failure of consideration, payment, release, statute of limitations and labor.
12

13 Respondents presently submit the following affirmative defenses:
14

15 1. For their first affirmative Defense, Respondents allege that the alleged investors
16 did not rely, reasonably or otherwise, on any alleged misrepresentation of Respondents.

17 2. For their second affirmative Defense, Respondents allege that they did not know,
18 and in the exercise of reasonable care, could not have known, of certain untrue statements or
19 material omissions.
20

21 3. For their third affirmative Defense, Respondents allege that they did not act with
22 the requisite scienter.

23 4. For their fourth affirmative Defense, Respondents allege that they did not initially
24 employ a deceptive or manipulative device in connection with the purchase or sale of any
25 security.
26

1 this 5th day of October, 2006, to:

2 Michelle M. Allen, Esq.
3 **ARIZONA CORPORATION COMMISSION**
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Phoenix, Arizona 85007
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7 **P.C.**
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18 *Attorneys for Ryan James Herndon and*
Trend Capital, LLC

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21 _____

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