



BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

Arizona Corporation Commission  
DOCKETED

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In the matter of )  
Trend Management Group, Inc., a Nevada )  
corporation )  
8601 Six Forks Road, Suite 400 )  
Raleigh, NC 27615 )  
Scott Renny Bogue, Sr. (CRD# 1588216) )  
and Arlene Jane Bogue, husband and wife )  
12308 Camberwell Court )  
Raleigh, NC 27614 )  
Ryan James Herndon and Lori Darlene )  
Herndon (a.k.a. Lori J. Herndon a.k.a. Lori )  
Jordan), )  
husband and wife )  
609 East Silverwood Drive )  
Phoenix, AZ 85048 )  
Trend Capital, LLC, an Arizona limited )  
liability company )  
4025 East Chandler Blvd. Suite 70F15 )  
Phoenix, AZ 85048 )  
Linda Bryant Jordan (a.k.a. Linda Van )  
Vranken a.k.a. Linda Jordan-Van Vranken), )  
a married person, individually and doing )  
business as )  
The Trend Group, Inc. )  
3641 East Park Avenue )  
Phoenix, AZ 85044 )  
Russell Langdon Van Vranken, husband of )  
Linda Bryant Jordan )  
3641 East Park Avenue )  
Phoenix, AZ 85044 )  
Easy Street Financial Group, Inc., an )  
Arizona corporation )  
9949 West Bell Road #202 )  
Sun City, AZ 85371 )

DOCKET NO. S-20476A-06-0557

DECISION NO. 69125

**ORDER TO CEASE AND DESIST, ORDER  
OF RESTITUTION, ORDER FOR  
ADMINISTRATIVE PENALTIES AND  
CONSENT TO SAME BY: RESPONDENT  
SCOT ALAN OGLESBY AND RESPONDENT  
LORI ANN OGLESBY**

1 Christopher Ellis Marx (CRD# 2186523) and )  
 2 Jane Doe Marx, husband and wife, )  
 6623 West Desert Hollow Drive )  
 3 Glendale, AZ 85310 )  
 Scot Alan Oglesby and Lori Ann Oglesby, )  
 4 husband and wife, )  
 36322 North 12<sup>th</sup> Avenue )  
 5 Desert Hills, AZ 85086 )

6 Respondents.

7 Respondents SCOT ALAN OGLESBY and LORI ANN OGLESBY (“Respondents”) elect  
 8 to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities  
 9 Act of Arizona, A.R.S. § 44-1801 *et seq.* (“Securities Act”) with respect to this Order To Cease  
 10 And Desist, Order of Restitution, Order of Administrative Penalties (“Order”). Respondents  
 11 admit the jurisdiction of the Arizona Corporation Commission (“Commission”). Respondents  
 12 admit the Findings of Fact and Conclusions of Law contained in this Order as to violations of  
 13 A.R.S. §§ 44-1841 and 44-1842; Respondents admit only for purposes of this proceeding and any  
 14 other proceeding before the Commission or any other administrative agency of the state of Arizona  
 15 the Findings of Fact and Conclusions of Law contained in this Order as to violations of A.R.S.  
 16 § 44-1991; and consent to the entry of this Order by the Commission.

17 **I.**

18 **FINDINGS OF FACT**

19 1. SCOT ALAN OGLESBY (“OGLESBY”), an individual, is a resident of the state of  
 20 Arizona. His residential address is 36322 North 12<sup>th</sup> Avenue, Desert Hills, AZ 85086.

21 2. LORI ANN OGLESBY was at all relevant times the spouse of OGLESBY. LORI ANN  
 22 OGLESBY is joined in this action under A.R.S. § 44-2031(C) solely for purposes of determining the  
 23 liability of the marital community. At all times relevant, OGLESBY and LORI ANN OGLESBY  
 24 were acting for their own benefit, and for the benefit or in furtherance of the marital community.

25 3. EASY STREET FINANCIAL GROUP, INC. (“EASY STREET”) is an Arizona corporation  
 26 with a last known business address of 9949 West Bell Road #202, Sun City, AZ 85371. EASY

1 STREET is doing business in the state of Arizona. EASY STREET filed as a corporation with the  
2 state of Arizona on or about August 24, 2000.

3 4. EASY STREET is not registered as a dealer in the state of Arizona, nor was EASY STREET  
4 registered as a dealer at any time relevant to his Order.

5 5. OGLESBY is an individual who was the Vice President of EASY STREET from August 24,  
6 2000 until December 31, 2001, and then again from April 14, 2003 until September 1, 2005.  
7 OGLESBY was also a Director and a Shareholder from August 24, 2000 until approximately  
8 December 31, 2001.

9 6. In or about September 1999, EASY STREET began advertising high interest rate CD's in  
10 local newspapers. Typically, when investors would arrive at the EASY STREET office, they would  
11 meet with a salesperson who would offer them additional investment opportunities in insurance  
12 products.

13 7. After January 1, 2004, EASY STREET the additional investment opportunities offered to  
14 investors included investing in the TREND CAPITAL, LLC ("TREND CAPITAL") Certificates of  
15 Participation.

16 8. The TREND CAPITAL Certificates of Participation are securities that were not registered as  
17 securities in the state of Arizona, nor were they exempt from registration. Specifically, the TREND  
18 CAPITAL Certificates of Participation were securities in the form of an investment contract and/or a  
19 participation in a profit sharing arrangement and/or an evidence of indebtedness.

20 9. In late 2003, RYAN JAMES HERNDON ("HERNDON") met with EASY STREET  
21 representatives CHRISTOPHER ELLIS MARX ("MARX") and OGLESBY and assured them that a  
22 securities license was not necessary in order to sell the TREND CAPITAL Certificates of  
23 Participation. Shortly thereafter, OGLESBY received that same assurance from SCOTT RENNY  
24 BOGUE, SR. ("BOGUE").

25 10. No EASY STREET representative, including OGLESBY, exercised due diligence in any  
26 investigation regarding the legitimacy of the TREND CAPITAL or TREND MANAGEMENT

1 GROUP, INC. ("TREND MANAGEMENT") investment. No EASY STREET representative,  
2 including OGELSBY, exercised due diligence in any investigation regarding BOGUE or  
3 HERNDON.

4 11. OGELSBY failed to disclose lack of due diligence in investigation of TREND CAPITAL and  
5 TREND MANAGEMENT.

6 12. On January 25, 2001, the state of Pennsylvania entered an Order against BOGUE in  
7 Commonwealth of Pennsylvania, Pennsylvania Securities Commission vs. Trend Invest, LP, JC  
8 Partners, LLC, Scott R. Bogue, Linda L. Eberly, and David Brubaker for violating the registration  
9 and anti-fraud provisions of the Pennsylvania Securities Act.

10 13. OGELSBY failed to disclose the Pennsylvania Order against BOGUE to any investor.

11 14. In late 2003, at a meeting with all EASY STREET salespeople, BOGUE presented the  
12 TREND CAPITAL Certificates of Participation investment as a product to offer investors.  
13 HERNDON, MARX, and OGELSBY were in attendance at the meeting. BOGUE advised the EASY  
14 STREET salespeople that the TREND CAPITAL Certificates of Participation investment was not a  
15 security and that the salespeople did not need a securities license to sell the investment. EASY  
16 STREET salespeople were told that the TREND CAPITAL Certificates of Participation investment  
17 was broken down into smaller, divided interests for them to sell, and therefore the preferred stock lost  
18 its character as a security.

19 15. OGELSBY sold and offered for sale the TREND CAPITAL Certificates of Participation  
20 beginning as early as January 5, 2004 until approximately October 7, 2004 within or from the state of  
21 Arizona.

22 16. OGELSBY is not a licensed securities salesman in the state of Arizona, nor was he a licensed  
23 securities salesman at any time relevant to this Order.

24 17. OGELSBY was not registered as a dealer at any time relevant to this Order, nor was he  
25 registered as a dealer at the time he was selling the TREND CAPTIAL Certificates of Participation.  
26

1 18. OGLESBY failed to make a distinction between the business entities of TREND  
2 MANAGEMENT, TREND CAPITAL and THE TREND GROUP, INC. in providing information to  
3 investors.

4 19. OGLESBY misrepresented the nature and the character of the investment to the investors.

5 20. OGLESBY failed to disclose the risk of investment in the TREND CAPITAL Certificates of  
6 Participation, including, but not limited to: reduced debt recovery margins, increased costs to acquire  
7 consumer debt, limited ability to transfer the security, the illiquidity of the investment, that TREND  
8 MANAGEMENT was a new company with limited resources, that TREND CAPITAL was a new  
9 company with limited resources, that if debt recovery parameters were inaccurate the company may  
10 not realize projected earnings, and that a weak economy could adversely affect the entity's ability to  
11 recover consumer debt.

12 21. OGLESBY failed to provide investors with any financial information regarding TREND  
13 CAPITAL or TREND MANAGEMENT.

14 22. OGLESBY made untrue statements of material fact in indicating that the investments in the  
15 TREND CAPITAL Certificates of Participation were guaranteed by US Bank.

16 23. By 2004, EASY STREET had expanded from its original office location in Carefree, Arizona  
17 to six office locations in Scottsdale, Sun City, Tempe, Gilbert, Prescott, and Yuma. Further, EASY  
18 STREET had opened offices in Nevada, California, Florida, and North Carolina.

19 24. On or about February 27, 2003, EASY STREET filed as a foreign corporation with the state  
20 of Nevada. On November 24, 2004, the State of Nevada, Office of the Secretary of State issued a  
21 Permanent Order In the Matter of Easy Street Financial Group, Inc., Christopher E. Marx, and Scot  
22 Oglesby, File No. 103-054, to cease and desist from violating the Nevada Securities Laws.

23 25. On or about March 6, 2003, EASY STREET was filed as a foreign corporation in the state of  
24 California. On April 3, 2003, the State of California, Department of Corporations issued an Order in  
25 the matter of Damon George, Easy Street Financial Group, Inc. (California) Randall Keith Ward,  
26 Christopher E. Marx, and Easy Street Financial Group, Inc. (Arizona) to desist and refrain from

1 offering securities in the form of certificates of deposit whose yield includes a bonus paid by a non-  
2 FDIC insured entity (the "California Order"). OGLESBY failed to disclose the state of California's  
3 Order against MARX and EASY STREET to any investor.

4 26. On or about June 4, 2004, EASY STREET filed as a foreign corporation in the state of  
5 Florida, with OGLESBY as the named Vice President.

6 27. OGLESBY received \$10,650.00 in commissions as a result of his sales of the TREND  
7 CAPITAL Certificates of Participation. He received no other additional compensation as a result of  
8 his sales of the TREND CAPITAL Certificates of Participation.

9 **II.**

10 **CONCLUSIONS OF LAW**

11 1. The Commission has jurisdiction over this matter pursuant to Article XV of the  
12 Arizona Constitution and the Securities Act.

13 2. SCOT ALAN OGLESBY offered or sold securities within or from Arizona, within  
14 the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

15 3. SCOT ALAN OGLESBY violated A.R.S. § 44-1841 by offering or selling  
16 securities that were neither registered nor exempt from registration.

17 4. SCOTT ALAN OGLESBY violated A.R.S. § 44-1842 by offering or selling  
18 securities while not registered as a salesmen nor was he exempt from registration.

19 5. SCOT ALAN OGLESBY violated A.R.S. § 44-1991 by (a) employing a device,  
20 scheme or artifice to defraud, (b) making untrue statements or misleading omissions of material  
21 facts, and (c) engaging in transactions, practices or courses of business which operate or would  
22 operate as a fraud or deceit. SCOT ALAN OGLESBY'S conduct includes, but is not limited to, the  
23 following:

24 a) Failed to disclose the Pennsylvania Order against SCOTT RENNY BOGUE, SR.

25 b) Failed disclose the State of California's Order against CHRISOTIPHER ELLIS  
26 MARX.

- c) Failed to disclose the State of California's Order against EASY STREET FINANCIAL GROUP, INC.
- d) Failed to disclose risk of loss of the investment to investors.
- e) Failed to disclose lack of due diligence in investigation of TREND CAPITAL and TREND MANAGEMENT.
- f) Failed to provide investors with any financial information regarding TREND CAPITAL or TREND MANAGEMENT.
- g) Misrepresented to investors of the nature and character of the investment.
- h) Failed to disclose risks of investment including, but not limited to: reduced debt recovery margins, increased costs to acquire consumer debt, limited ability to transfer the security, the illiquidity of the investment, that TREND MANAGEMENT was a new company with limited resources, that TREND CAPITAL was a new company with limited resources, that if debt recovery parameters were inaccurate the company may not realize projected earnings, and that a weak economy could adversely affect the entity's ability to recover consumer debt.

6. SCOT ALAN OGLESBY's conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-2032.

7. SCOT ALAN OGLESBY's conduct is grounds for an order of restitution pursuant to A.R.S. § 44-2032.

8. SCOT ALAN OGLESBY's conduct is grounds for administrative penalties under A.R.S. § 44-2036.

**III.**

**ORDER**

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, SCOT ALAN OGLESBY's consent to the entry of this Order and LORI ANN OGLESBY's consent to the entry

1 of this Order, attached and incorporated by reference, the Commission finds that the following  
2 relief is appropriate, in the public interest, and necessary for the protection of investors:

3 IT IS ORDERED, pursuant to A.R.S. § 44-2032, that SCOT ALAN OGLESBY and any of  
4 SCOT ALAN OGLESBY's agents, employees, successors and assigns, permanently cease and  
5 desist from violating the Securities Act. SCOT ALAN OGLESBY shall not sell any securities in  
6 or from Arizona without being registered in Arizona as a dealer or salesman, or exempt from such  
7 registration. SCOT ALAN OGLESBY shall not sell securities in or from Arizona unless the  
8 securities are registered in Arizona or exempt from registration.

9 IT IS FURTHER ORDERED that Respondents comply with the attached Consent to Entry  
10 of Order.

11 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents shall pay  
12 restitution to the Commission in the amount of \$10,650.00. Any amount outstanding shall accrue  
13 interest at the rate of 10% per annum from the date of this Order until paid in full. Payment shall be  
14 made to the "State of Arizona" to be placed in an interest-bearing account maintained and  
15 controlled by the Commission. The Commission shall disburse the funds on a pro rata basis to  
16 investors shown on the records of the Commission. Any restitution funds that the Commission  
17 cannot disburse because an investor refuses to accept such payment shall be disbursed on a pro-rata  
18 basis to the remaining investors shown on the records of the Commission. Any funds that the  
19 Commission determines it is unable to or cannot feasibly disburse shall be transferred to the  
20 general fund of the state of Arizona.

21 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents shall pay an  
22 administrative penalty in the amount of \$20,000.00. Any amount not paid on the date of this Order  
23 shall accrue interest at the rate of 10% per annum from the date of this Order until paid in full.  
24 The payment obligations for these administrative penalties shall be subordinate to any restitution  
25  
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1 obligations ordered herein and shall become immediately due and payable only after restitution  
2 payments have been paid in full or upon Respondents' default with respect to Respondents'  
3 restitution obligations.

4 For purposes of this Order, a bankruptcy filing by either of the Respondents shall be an act  
5 of default. If either of these Respondents does not comply with this Order, any outstanding  
6 balance may be deemed in default and shall be immediately due and payable.

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1 IT IS FURTHER ORDERED, that if either Respondent fails to comply with this Order, the  
2 Commission may bring further legal proceedings against that Respondent, including application to  
3 the superior court for an order of contempt.

4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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7   
8 CHAIRMAN

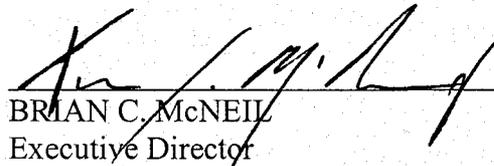
COMMISSIONER

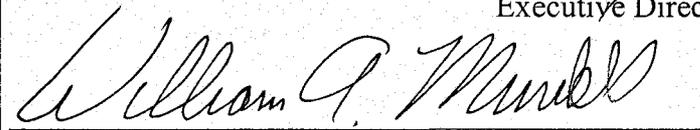
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11 COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
13 Executive Director of the Arizona Corporation  
14 Commission, have hereunto set my hand and caused the  
15 official seal of the Commission to be affixed at the  
16 Capitol, in the City of Phoenix, this 14th day of  
17 November, 2006.

18   
BRIAN C. McNEIL  
Executive Director

19   
20  
21 DISSENT

22  
23 DISSENT

24 This document is available in alternative formats by contacting Linda Hogan, Executive Assistant  
25 to the Executive Director, voice phone number 602-542-3931, E-mail [lhogan@azcc.gov](mailto:lhogan@azcc.gov).

26 (MMA)

**CONSENT TO ENTRY OF ORDER**

1  
2           1.       Respondent SCOT ALAN OGLESBY, an individual, and Respondent LORI ANN  
3 OGLESBY admit the jurisdiction of the Commission over the subject matter of this proceeding.  
4 Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY acknowledge that  
5 they have been fully advised of their right to a hearing, to present evidence and call witnesses.  
6 Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY knowingly and  
7 voluntarily waive any and all rights to a hearing before the Commission and all other rights  
8 otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona  
9 Administrative Code. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN  
10 OGLESBY acknowledge that this ORDER TO CEASE AND DESIST, ORDER OF  
11 RESTITUTION, AND ORDER FOR ADMINISTRATIVE PENALTIES ("Order") constitutes a  
12 valid final Order of the Commission.

13           2.       Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
14 knowingly and voluntarily waive any right under Article 12 of the Securities Act to judicial review  
15 by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

16           3.       Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
17 acknowledge and agree that this Order is entered into freely and voluntarily and that no promise  
18 was made or coercion used to induce such entry.

19           4.       Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
20 acknowledge that they have been represented by an attorney in this matter, that they have reviewed  
21 this Order with their attorney, and that they understands all terms it contains.

22           5.       Respondent SCOT ALAN OGLESBY admits the Findings of Fact and Conclusions  
23 of Law contained in this Order as to violations of ARS §§ 44-1841 and 44-1842.

24           6.       Respondent SCOT ALAN OGLESBY admits only for purposes of this proceeding  
25 and any other administrative proceeding before the Commission or any other administrative  
26

1 agency of the state of Arizona the Findings of Fact and Conclusions of Law contained in this Order  
2 as to violations of ARS § 44-1991.

3 7. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
4 agree that they shall not contest the validity of the Findings of Fact and Conclusions of Law  
5 contained in this Order in any present or future administrative proceeding before the Commission  
6 or any other administrative state agency concerning the revocation, denial or issuance of any  
7 license or registration required by the State to engage in the practice of any business or profession.

8 6. By consenting to the entry of this Order, Respondent SCOT ALAN OGLESBY and  
9 Respondent LORI ANN OGLESBY agree not to take any action or to make, or permit to be made,  
10 any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in  
11 this Order or creating the impression that this Order is without factual basis. Respondent SCOT  
12 ALAN OGLESBY and Respondent LORI ANN OGLESBY will undertake steps necessary to  
13 assure that all of their agents and employees understand and comply with this agreement.

14 7. While this Order settles this administrative matter between Respondent SCOT  
15 ALAN OGLESBY and Respondent LORI ANN OGLESBY and the Commission, Respondent  
16 SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY understand that this Order does  
17 not preclude the Commission from instituting other administrative or civil proceedings based on  
18 violations that are not addressed by this Order.

19 8. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
20 understand that this Order does not preclude the Commission from referring this matter to any  
21 governmental agency for administrative, civil, or criminal proceedings that may be related to the  
22 matters addressed by this Order.

23 9. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
24 understand that this Order does not preclude any other agency or officer of the state of Arizona or  
25 its subdivisions from instituting administrative, civil, or criminal proceedings that may be related  
26 to matters addressed by this Order.

1           10.     Respondent SCOT ALAN OGLESBY agrees that he will not apply to the state of  
2 Arizona for registration as a securities dealer or salesman or for licensure as an investment adviser  
3 or investment adviser representative at any time in the future.

4           11.     Respondent SCOT ALAN OGLESBY agrees that he will not exercise any control  
5 over any entity that offers or sells securities or provides investment advisory services within or  
6 from Arizona at any time in the future.

7           12.     Respondent SCOT ALAN OGLESBY agrees that he will not sell any securities in  
8 or from Arizona without being properly registered in Arizona as a dealer or salesman, or exempt  
9 from such registration; he will not sell any securities in or from Arizona unless the securities are  
10 registered in Arizona or exempt from registration; and he will not transact business in Arizona as  
11 an investment adviser or an investment adviser representative unless properly licensed in Arizona  
12 or exempt from licensure.

13           13.     Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
14 agree that they will continue to cooperate with the Securities Division including, but not limited to,  
15 providing complete and accurate testimony at any hearing in this matter and cooperating with the  
16 state of Arizona in any related investigation or any other matters arising from the activities  
17 described in this Order.

18           14.     Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
19 acknowledge that any restitution or penalties imposed by this Order are obligations of the  
20 Respondent SCOT ALAN OGLESBY as well as the marital community.

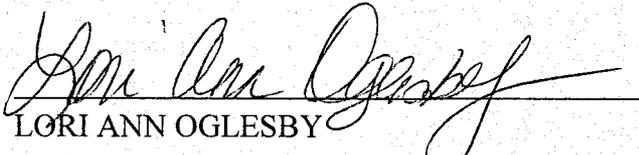
21           15.     Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
22 consent to the entry of this Order and agree to be fully bound by its terms and conditions.

23           16.     Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
24 ~~acknowledge and understand that if they fail to comply with the provisions of the Order and this~~  
25 consent, the Commission may bring further legal proceedings against them, including application  
26 to the superior court for an order of contempt.

1 17. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
2 understand that a default shall render them liable to the Commission for its costs of collection and  
3 interest at the maximum legal rate.

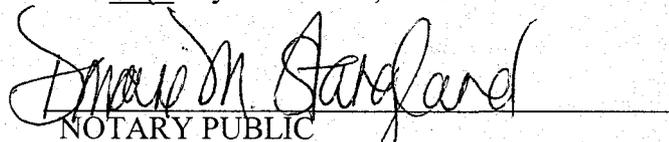
4 18. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY  
5 agree and understand that if they fail to make any payment as required in the Order, any  
6 outstanding balance shall be in default and shall be immediately due and payable without notice or  
7 demand. Respondent SCOT ALAN OGLESBY and Respondent LORI ANN OGLESBY agree  
8 and understand that acceptance of any partial or late payment by the Commission is not a waiver  
9 of default by the Commission.

10  
11   
12 SCOT ALAN OGLESBY

13  
14   
15 LORI ANN OGLESBY

16 STATE OF ARIZONA )  
17 ) ss  
18 County of )

19 SUBSCRIBED AND SWORN TO BEFORE me this 19 day of October, 2006.

20  
21   
22 NOTARY PUBLIC

22 My Commission Expires:

23 MARCH 6, 2008  
24  
25  
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