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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

AZ CORP COMMISSION
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MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON

In the matter of:)
 GLOBAL TRUSTS, L.L.C.)
 8584 South Masthead)
 Tucson, Arizona 85706)
 CLYDE F. WAGNON and MARTHA E.)
 WAGNON, husband and wife,)
 8584 South Masthead)
 Tucson, Arizona 85706,)
 JERI WOODS and JOHN DOE WOODS, wife)
 and husband,)
 8584 South Masthead)
 Tucson, Arizona 85706)
 Respondents.)

DOCKET NO. S-03508A-02-0000

**MOTION TO SET HEARING
REGARDING RESTITUTION AND
PENALTIES**

Arizona Corporation Commission
DOCKETED

OCT 01 2003

DOCKETED BY *Mac*

On August 27, 2003, the Securities Division ("Division") presented to the Arizona Corporation Commission ("Commission") at a Securities Open Meeting a proposed Default Order to Cease and Desist, Order of Restitution, Order for Administrative Penalties and for Other Affirmative Action Re: Respondent Global Trusts, L.L.C., and Respondents Clyde F. Wagnon and Martha E. Wagnon, husband and wife ("Default Order"). These Respondents previously had been served with the Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties, and for Other Affirmative Action ("Notice") filed with the Commission in this matter, and with appropriate notices regarding their default.

Respondents appeared at the August Open Meeting. They admitted in the Open Meeting the factual allegations of the Notice and the Default Order regarding their sales of Alpha Telecom pay

1 telephones. They did not, however, admit the restitution amount sought by the Division. The
2 Commission therefore declined to enter the Default Order, and expressed a desire that this matter be
3 resolved by consent, if possible. The Commission also stated that, if a consent could not be reached, a
4 hearing should be set to consider restitution and penalties.

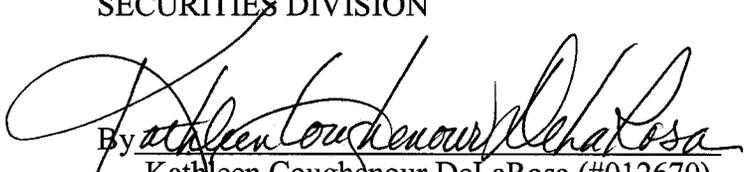
5 On or about September 3, 2003, the Division supplied Respondents with a form of Order to
6 Cease and Desist, Order of Restitution, Order for Administrative Penalties and Consent to Same by:
7 Respondent Global Trusts, L.L.C., and Respondents Clyde F. Wagnon and Martha E. Wagnon,
8 husband and wife ("Consent Order"). The Division requested that the final executed Consent
9 Order be returned prior to September 30, 2003, to be scheduled for consideration at the Securities
10 Open Meeting scheduled for October 16, 2003.

11 During the fourth week in September, the Division contacted Respondent Clyde Wagnon
12 by telephone to inquire about the status of the proposed Consent Order. Mr. Wagnon advised he
13 had given the proposed Consent Order to his attorney, Walter F. Wood. The Division thereupon
14 contacted Wood's office by telephone. Wood's office advised the Division that Mr. Wood had not
15 sent out the Consent Order. On September 29, 2003, the Division faxed a letter to Mr. Wood's
16 office, advising that the Consent Order must be received by the Division the following day, or the
17 Division would request that the matter be set for hearing. The Division has not received a response
18 to that faxed letter.

19 As a result, the Division respectfully requests that this matter be set for a hearing on
20 restitution and penalties only, at the earliest possible date convenient for the Hearing Division.

21 RESPECTFULLY SUBMITTED this 1st day of October, 2003.

22 ARIZONA CORPORATION COMMISSION
23 SECURITIES DIVISION

24 
25 By Kathleen Coughenour DeLaRosa
26 Kathleen Coughenour DeLaRosa (#012670)
1300 West Washington, Third Floor
Phoenix, Arizona 85007
Attorney for Arizona Corporation Commission

1 ORIGINAL and 15 copies of
2 the foregoing filed this 1st
3 day of October, 2003, with:

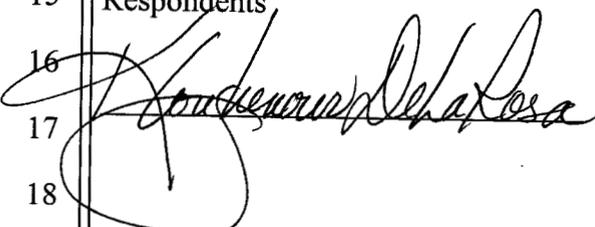
3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 And COPY of the foregoing
8 mailed/delivered this 19th
9 day of June, 2003, to:

10 Hon. Philip Dion
11 Hearing Officer
12 Arizona Corporation Commission
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15 Walter F. Wood, Esq.
16 Walter F. Wood, Ltd.
17 110 South Church Avenue, Suite 4398
18 Tucson, Arizona 85701
19 Attorney for Respondents

20 Mr. and Mrs. Clyde F. Wagon
21 8584 South Masthead
22 Tucson, Arizona 85706
23 Respondents

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