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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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

IN THE MATTER OF:

DOCKET NO. S-03508A-02-0000

GLOBAL TRUSTS, L.L.C.
8584 South Masthead
Tucson, AZ 85706

Arizona Corporation Commission
DOCKETED

CLYDE F. WAGNON and MARTHA E WAGNON,
husband and wife,
8584 South Masthead
Tucson, AZ 85706

JUL 18 2003

JERI WOODS and JOHN DOE WOODS,
Wife and husband
8584 South Masthead
Tucson, AZ 85706

DOCKETED BY *CAF*

Respondents.

PROCEDURAL ORDER

BY THE COMMISSION:

On December 5, 2002, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding the Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties, and for Other Affirmative Action ("Notice") against Global Trusts, L.L.C., Clyde F. Wagnon and Martha E. Wagnon, husband and wife, and Jeri Woods and John Doe Woods, wife and husband ("Respondents") in which the Division alleged that Respondents have engaged in acts, practices, and transactions that constitute violations of the Arizona Securities Act ("Act").

On May 27, 2003, the Division filed an Application for Entry of Default and Affidavit on Default Re: Respondents Global Trusts, LLC, Clyde F. Wagnon and Martha E. Wagnon ("Application"). In the Application, the Division gave notice that it is requesting an entry of default

1 against Respondents Global Trusts, LLC, Clyde F. Wagnon and Martha E. Wagnon because those
2 Respondents have not filed an Answer or a Request for Hearing in this matter.

3 On June 11, 2003, Walter F. Wood, attorney for Clyde F. Wagnon dba Global Trusts, LLC
4 and Martha E. Wagnon, filed a Notice of Filing for Bankruptcy Protection. In the Notice, Mr. Woods
5 stated that Clyde Wagnon, dba Global Trust LLC and Martha Wagnon, filed for bankruptcy
6 protection under Chapter 13 of the United States Bankruptcy Code on April 14, 2003, in the United
7 States Bankruptcy Court for the District of Arizona, Tucson Division, in Case No. 03-1841-TUC-
8 JMM. Nowhere in the Bankruptcy Notice did those Respondents file a Request for Hearing or an
9 Answer to the Notice in this matter, nor did they assert any defenses or privileges.
10

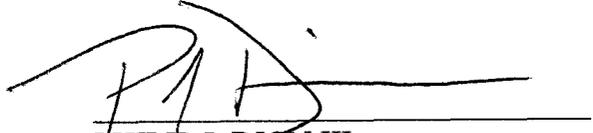
11 On June 11, 2003, the Division filed a Motion for Entry of Default regarding Respondents
12 Global Trusts, LLC, Clyde F. Wagnon and Martha E. Wagnon. In the Motion, the Division stated
13 that Global Trusts, LLC, Clyde F. Wagnon and Martha E. Wagnon were served with the Notice on or
14 about February 24, 2003. The Division stated that since the Division filed the Notice and its
15 Application, the Respondents' only response has been to file a Notice of Bankruptcy advising that
16 those Respondents are in Chapter 13 Bankruptcy. The Division argued that the Respondents' failure
17 to make a timely Request for Hearing or to file an Answer to the Notice should result in the
18 Commission granting the Division's Application, entering a default against Respondents, and
19 permitting the Division to submit a Recommended Default Order with respect to those Respondents.
20

21 Based upon Global Trusts, LLC, Clyde F. Wagnon and Martha E. Wagnon's failure to file a
22 Request for Hearing or an Answer in this matter, the Division's Application and its Default Motion
23 should be granted.
24

25 IT IS THEREFORE ORDERED that the Division's Application for Entry of Default and its
26 Motion for Entry of Default Regarding Global Trusts, LLC, Clyde F. Wagnon and Martha E.
27 Wagnon are both granted.
28

1 IT IS FURTHER ORDERED that the Division shall prepare a Recommended Default Order
2 with respect to those Respondents for the Commissioners' consideration at the appropriate Open
3 Meeting.

4 DATED this 18 day of July, 2003.

6
7
8 
9 PHILIP J. DION III
10 ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed/delivered
12 this 18 day of July, 2003.

13 Walter F. Woods
14 1100 South Church Avenue, Ste. 4398
15 Tucson, AZ 85701
16 Attorneys for Respondents
17 Global Trusts, LLC, Clyde F. Wagnon and Martha E. Wagnon

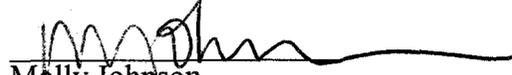
18 GLOBAL TRUSTS, L.L.C.
19 8584 South Masthead
20 Tucson, AZ 85706

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By: 
Molly Johnson
Secretary to Philip J. Dion III