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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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

2007 JUN 14 P 1:35

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF:

DOCKET NO. S-20472A-06-0535

THE 12 PERCENT FUND I, L.L.C. (aka THE 12%
FUND, 12% FUND I and FUND)
an Arizona limited liability company
13714 Nightstar Ct.
Marana, Arizona 85653-4455

COYOTE GROWTH MANAGEMENT, L.L.C.
an Arizona limited liability company
13714 Nightstar Ct.
Marana, Arizona 85653-4455

MICHAEL JOSEPH HANNAN (aka MICHAEL
HANNAN, MIKE HANNAN and MICHAEL J.
HANNAN II) and JANE DOE HANNAN, husband
and wife
13714 Nightstar Ct.
Marana, Arizona 85653-4455

SAM AHDOOT (aka SAM AHDOUT) and JANE
DOE AHDOOT, husband and wife
5625 Crescent Park West, Apt. 130
Playa Vista, CA 90094-2083

Respondents.

Arizona Corporation Commission
DOCKETED

JUN 14 2007

DOCKETED BY [signature]

PROCEDURAL ORDER

BY THE COMMISSION:

On August 28, 2006, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against the 12 Percent Fund I, L.L.C. ("Fund"), Coyote Growth Management, L.L.C. ("CGM"), Michael Joseph Hannan and Jane Doe Hannan, husband and wife, and Sam Ahdoot and Jane Doe Ahdoot, husband and wife (collectively "Respondents"), in which the Division alleged that the Respondents committed multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts.

The Fund, CGM and the Hannan Respondents were duly served with copies of the Notice.

1 On September 19, 2006, the Fund, CGM and the Hannan Respondents filed a request for
2 hearing.

3 On September 25, 2005, by Procedural Order, a pre-hearing conference was scheduled on
4 October 26, 2006.

5 On October 24, 2006, counsel for the Division and counsel for the Fund, CGM, and the
6 Hannan Respondents filed a stipulation whereby they agreed to continue the pre-hearing conference
7 indefinitely and waived the application of any time limits pursuant to A.A.C. R14-4-307 and A.R.S. §
8 44-1972 with respect to the Temporary Order and Notice. The parties further indicated that the
9 Ahdoot Respondents have not yet been served.

10 On October 25, 2006, by Procedural Order, the pre-hearing conference was continued
11 indefinitely.

12 On June 8, 2007, Mr. Roderick R. McBroom, an individual who stated that he is an investor
13 with the Respondents herein, faxed to the Hearing Division a letter and request for a continuance of a
14 hearing and objection to receivership. His letter and request have been filed with the Commission's
15 Docket Control and are available for viewing at the Commission's website under the above-
16 referenced docket number as are all documents filed in this proceeding.

17 On June 13, 2007, Mr. McBroom filed a request with the Commission to be added to the
18 service list of the above-referenced proceeding. There does not appear to be any reason to deny this
19 request, but the addition of his name and address to the service list does not make him a party in this
20 proceeding.

21 Accordingly, Mr. Roderick R. McBroom will be added to the service list in this proceeding.

22 IT IS THEREFORE ORDERED that Mr. Roderick R. McBroom shall be added to the service
23 list in this proceeding.

24 Dated this 14th day of June, 2007.

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MARC E. STERN
ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed/delivered
2 this 14th day of June, 2007 to:

3 Paul J. Roshka, Jr.
4 ROSHKA, DEWULF & PATTEN, P.L.C.
5 One Arizona Center
6 400 East Van Buren Street, Suite 800
7 Phoenix, Arizona 85004
8 Attorneys for Respondents

9 Roderick R. McBroom
10 P.O. Box 1931
11 Durango, CO 81302

12 Matt Neubert, Director
13 Securities Division
14 ARIZONA CORPORATION COMMISSION
15 1200 West Washington Street
16 Phoenix, AZ 85007

17 ARIZONA REPORTING SERVICE, INC.
18 2627 North Third Street, Suite Three
19 Phoenix, Arizona 85004-1126

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By: 
Debra Broyles
Secretary to Marc E. Stern