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BEFORE THE ARIZONA CORPORATION COMMISSION
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COMMISSIONERS

MIKE GLEASON, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

2007 AUG 23 P 3:02
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 AHDOOT) and JANE
DOE AHDOOT, husband and wife
5625 Crescent Park West, Apt. 130
Playa Vista, CA 90094-2083

Respondents.

Arizona Corporation Commission
DOCKETED

AUG 23 2007

DOCKETED BY *nr*

FOURTH
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 On June 14, 2007, by Procedural Order, Mr. Roderick R. McBroom was added to the service
22 list in this proceeding, but was not made a party to the proceeding.

23 On August 7, 2007, the Division filed Motion to Set Pre-Hearing Conference.

24 On August 9, 2007, by Procedural Order, a pre-hearing conference was scheduled for August
25 29, 2007.

26 On August 10, 2007, counsel for the Fund, CGM and the Hannan Respondents file an
27 Application to Withdraw ("Application") citing ER 1.16(b) and indicated his clients had failed
28 "substantially to fulfill an obligation to the lawyer regarding the lawyer's services." The Application

1 states that the Respondents have been notified of counsel's intent to withdraw and of the date of the
2 pre-hearing conference. The Commission was also advised of Respondents' address and of the
3 address of a court-appointed Receiver for the Fund and CGM. No objections have been filed.

4 Accordingly, counsel for Respondents, the Fund, CGM and the Hannans, should be permitted
5 to withdraw.

6 IT IS THEREFORE ORDERED that counsel for the Fund, CGM and the Hannon
7 Respondents is hereby granted leave to withdraw.

8 Dated this 23rd day of August, 2007.

9
10
11 
12 _____
13 MARC E. STERN
14 ADMINISTRATIVE LAW JUDGE

14 Copies of the foregoing mailed/delivered
15 this 23rd day of August, 2007 to:

16 Paul J. Roshka, Jr.
17 ROSHKA, DEWULF & PATTEN, P.L.C.
18 One Arizona Center
19 400 East Van Buren Street, Suite 800
20 Phoenix, Arizona 85004
21 Attorneys for Respondents

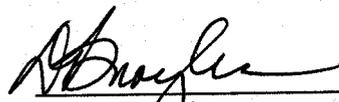
Matt Neubert, Director
Securities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, AZ 85007

22 The 12% Fund
23 Coyote Growth Management, L.L.C
24 c/o Michael and Janice Hannan
25 13714 Nightstar Court
26 Marana, Arizona 85653-4455

ARIZONA REPORTING SERVICE, INC.
2200 North Central Avenue, Suite 502
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27 Ryan W. Anderson, Esq.
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4150 West Northern Avenue
Phoenix, Arizona 85051

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

By: 
Debra Broyles
Secretary to Marc E. Stern