

ORIGINAL

S-20605A-08-0377

In regard to the Judgment AZ Corp Commission  
Docket NO S-20605A-08-0377 Case No: TJ08-012844/012843  
DECISION NO. 70545 and 70544  
Judgment balance \$1,415,386.01  
Attorney General File No.: BCE08-002423

February 3<sup>rd</sup> 2009



RECEIVED

2009 FEB 23 A 9:56

AZ CORP COMMISSION  
DOCKET CONTROL

To: Gary Pierce - Commissioner,

In regards to the judgment against me in the amount stated of \$1,415,386.01 dollars that I should be financially responsible for a criminal's action for committing 8 counts of securities fraud done by Richard Bradford:

- I am a victim of this issue and it needs to be addressed.
- There was a misuse of power in this DOCKET NO S-20605A-08-0377 concerning the decision versus the open meeting and the hearing.
- I want to be dismissed from this DOCKET NO S-20605A-08-0377 and Decision No. 70544

September 4<sup>th</sup> 2008 - BEFORE Marc E Stern, Administrative law judge.

- I could not afford and did not have legal representation at the hearing on September 4<sup>th</sup> 2008 BEFORE Marc E Stern, Administrative law judge.
- My concern is that Mr. Huynh misled me to believe that a *consent order* was the same as *immunity* as I stated on page 8 lines 1-3 of the September 4<sup>th</sup> hearing asking for immunity while helping the AZ Corporation Commission to further their investigation. During the recess I told Mr. Huynh that I would help as long as I had immunity and he said because it was an administrative trial it is called *consent order basically the same as immunity*, therefore I didn't request a hearing.

My concern is that I was coerced into signing the consent at the time I was suffering PTSD and that my signature was done under duress. . (*A.R.S. § 13-703(G)(2) provides that it shall be a mitigating circumstance where "[t]he defendant was under unusual and substantial duress."*)

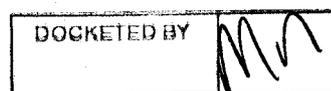
October 7<sup>th</sup>, 2008 – ARIZONA CORPORATION COMMISSION OPEN MEETING

- There is a conflict in the taped/recorded transcript and the final decision # 70544
  - 1.) On the tape you will hear it discussed that I was also a victim of fraud.
  - 2.) That the marital community had no assets to attain for the restitution.
  - 3.) On page 3 of Decision # 70544 it clearly states on line 21- thru 26 that it is not individual property but marital community.
  - 4.) On the tape you will hear that I had submitted financial statements explaining in detail per request of Mr. Huynh but had said that he didn't have much time to review them, this is a disservice to me as this was the whole purpose of the hearing.
  - 5.) On the tape you will hear that the lawyer states that since there were no marital assets found that *Ms White*, now divorced from Mr. Bradford, is not liable for the restitution.

Arizona Corporation Commission

DOCKETED

FEB 23 2009



Since the onset of this investigation I have done everything in my power to help the authorities with anything I could. I was the person who set the justice in motion in regards to Mr. Bradford's illegal actions, I called the police the moment I found out what happened on November 29<sup>th</sup> 2007, I handed in his laptop and worked with the investors for the next several months answering questions to help them with the AZ Corporation investigation. I have been working with the AZ Corporation Commission attorney Mr. Huynh for the last several months concerning the case and have been forthcoming with any and all questions, paperwork, and information regarding finances during the time we were married. I was married to Mr. Bradford at the time of the order but as the AZ Corporation Commission found there were no tangible or financial assets from the marital community. I was left with no money and no place to live after finding out about my former husband's dishonesty. At the hearing all pertinent documents were reviewed and it was found that I, Cindy White – Bradford, was also a victim in the matter. I was divorced on March 3 2008 and am no longer in a marital community with Mr. Bradford.

Mr. Bradford told me he was building a Hedge Fund with Mr. T Boone Pickens and traveling extensively only to find out on November 29<sup>th</sup> 2007 that he was living another life with another women Vivian Harper from 2006 to 2007 so at the time of his fraudulent dealings he was not living with me.

The collections department is only giving me until February 15<sup>th</sup> to pay the restitution for a crime I did not commit and had no dealings with the Fishing Partners – Salmon L.L.C.

I would like to see the Attorney Generals Office and the AZ Corporation Committee review the tapes for the open meeting on October 7<sup>th</sup> so you can see the decision on the tape and the decision on the final docket do not match up.

If you listen to the tapes of the open meeting on October 7<sup>th</sup> it is very clear that the committee knew that I was a victim and was concerned that I was going to have to pay the criminals restitution. This meeting was only to see if there was any Marital Community Property and there was none found therefore since I am now divorced in the meeting they stated that I was not responsible for the restitution.

I appreciate your urgent attention in this matter,

Regards,  
Cindy White

Please speak with Mr. Huynh in regards to my assistance with the matter, he can be contacted at:

Phong (Paul) Huynh  
Staff Attorney  
Arizona Corporation Commission, Securities Division  
Phone (602) 542-0908



Terry Goddard  
Attorney General

**Office of the Attorney General**  
State of Arizona

Writer's Direct Line:  
(602)542-8641

January 8, 2009

Cindy Bradford  
554 South Roanoke Street  
Gilbert, AZ 85296

Re: Arizona Corporation Commission  
*State of Arizona v. Bradford*  
Cause No.: TJ08-012844/012843 →  
Judgment Balance: \$1,415,386.01 (plus accruing interest)  
Atty. Gen File No.: BCE08-002423 —

Dear Sir/Madam:

This letter is formal notice that a judgment has been entered against you. A copy is attached.

Pursuant to Arizona Revised Statutes § 12-1598.03, demand is hereby made for immediate payment in full of the judgment balance shown above. If immediate payment is not possible, contact me immediately.

Sincerely,

Diana Norris  
Collector III

*secretly Chris  
3rd F*

*Feb 15<sup>th</sup>*

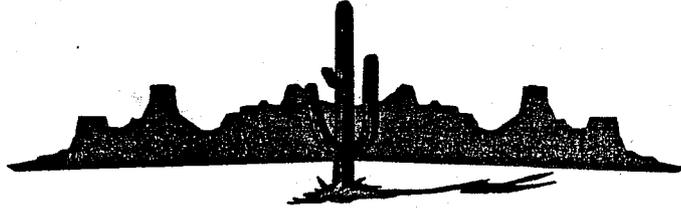
*Marriage  
Binding  
No BOND  
Atty*

Enclosure

371380 /dn

*Attorney  
Chief  
Tape  
Copy Work*

*Marital Community  
- Explain - how to the  
- extent of Marital Community*



## STATE OF ARIZONA CORPORATION COMMISSION

### To all to Whom these Presents shall Come Greeting:

I, BRIAN C. McNEIL, EXECUTIVE DIRECTOR OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT

The attached is a true, complete and correct copy of the ORDER TO CEASE AND DESIST, FOR RESTITUTION, FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME BY: CINDY BRADFORD (A.K.A. CINDY WHITE) as issued by this Commission on October 8, 2008, in DOCKET NO. S-20605A-08-0377, bearing Decision No. 70544 IN THE MATTER OF:

Richard Bradford

Cindy Bradford a/k/a Cindy White



**IN WITNESS WHEREOF**, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 21<sup>st</sup> DAY OF October, 2008 A.D.

  
EXECUTIVE DIRECTOR

Arizona Corporation Commission  
In response to Docket S-20605A-08-0377  
C/o Phong (Paul) Huynh  
100 W Washington, 3<sup>rd</sup> Floor  
Phoenix, AZ 85007

I am Cindy White, the respondents ex wife. Please make sure your records are updated to reflect that Richard Bradford and I were divorced March 3, 2008.

In response to the subpoena I see in paragraph 41 that my name is mentioned and my answer is that I am a victim of emotional fraud as I knew nothing about his double life or that he was breaking any laws.

I have no money and therefore no lawyer. I do not know how to properly respond in regard to this matter, I would appreciate any guidance that could be offered from your office.

Cindy White  
554 S. Roanoke St  
Gilbert, AZ 85296  
480-206-7100

RECEIVED

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7008 JUL 23 A 8:40

AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

4

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

5

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

JUL 23 2008

6

7

DOCKETED BY  
ne

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In the matter of:  
  
Richard Bradford (CRD# 2706290) and Cindy  
Bradford (a.k.a. Cindy White), husband and  
wife;  
  
Respondent.

DOCKET NO. S-20605A-08-0377

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NOTICE OF OPPORTUNITY FOR HEARING  
REGARDING PROPOSED ORDER TO  
CEASE AND DESIST, ORDER FOR  
RESTITUTION, FOR ADMINISTRATIVE  
PENALTIES, AND FOR OTHER  
AFFIRMATIVE ACTION

16

**NOTICE: EACH RESPONDENT HAS 10 DAYS TO REQUEST A HEARING**

17

**EACH RESPONDENT HAS 30 DAYS TO FILE AN ANSWER**

18

The Securities Division ("Division") of the Arizona Corporation Commission ("Commission")  
alleges that Respondent Richard Bradford has engaged in acts, practices, and transactions that  
constitute violations of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") and  
A.R.S. § 44-3101, *et seq.*, the Investment Management Act ("IM Act").

22

**I.**

23

**JURISDICTION**

24

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

25

26

1 II.

2 RESPONDENT

3 2. Richard Bradford ("BRADFORD") is an individual residing in Maricopa County,  
4 Arizona.

5 3. BRADFORD may be referred to individually as "Respondent."

6 4. Cindy Bradford, a.k.a Cindy White, ("C. BRADFORD"), at all times relevant, was  
7 the spouse of Respondent BRADFORD and may be referred to as "Respondent Spouse."  
8 Respondent Spouse is joined in this action under A.R.S. § 44-2031(C) solely for purposes of  
9 determining the liability of the marital community.

10 5. At all times relevant, BRADFORD was acting for his own benefit and for the benefit  
11 or in furtherance of the marital community.

12 III.

13 FACTS

14 6. At all times relevant, Respondent was not registered with the Commission as a  
15 dealer or salesman. BRADFORD (CRD# 2706290) has not been a registered salesman since 2001  
16 and has never been a registered dealer.

17 7. The securities offered and/or sold by BRADFORD are not registered with the  
18 Commission.

19 8. At all times relevant, BRADFORD was not licensed as an Investment Adviser or  
20 Investment Adviser Representative.

21 9. Potential Investor(s) ("PI") or LLC member(s) may be referred to individually or  
22 collectively as "investor(s)," as the context so requires.

23 10. From on or about March 1, 2006, BRADFORD publicly offered and sold  
24 unregistered securities in the form of investment contracts, within or from Arizona.

25 11. From on or about March 1, 2006, BRADFORD solicited PIs, in or from Arizona, to  
26 pool money for an investment fund that would invest in stocks and various securities that would be

1 chosen and managed by BRADFORD and the returns would be based on his decisions,  
2 management, and efforts. The investment fund was commonly referred to by BRADFORD as a  
3 "Hedge Fund" called Fishing Partners-Salmon.

4 12. Profits were to be paid out to each investor proportionate to their percentage of  
5 contribution.

6 13. BRADFORD represented to at least one investor that:

7 a) He was an experienced and "licensed" securities salesman who was featured  
8 on CNN;

9 b) He had managed large funds in the past, making minimum returns of 30% or  
10 greater annually;

11 c) The investment provided low risk of devaluation or losses because  
12 BRADFORD "never lost money";

13 d) The proposed fund would be highly liquid at all times to allow investors to  
14 cash out easily upon request; and

15 e) That he was currently managing a separate multimillion dollar fund for the  
16 famous billionaire investor T-Boone Pickens.

17 14. However, none of the representations were in fact true.

18 15. BRADFORD represented to at least one investor not to worry about losing his  
19 principal as BRADFORD was worth millions and could guarantee the funds. However, when  
20 losses did arise, BRADFORD did not repay the investor his principal or interest upon request.

21 16. BRADFORD represented to at least one investor that he would guarantee a  
22 minimum of 20% annual return; however the investor has not received such a return and his  
23 investment has decreased in value.

24 17. Prior to investment, BRADFORD represented to at least one investor that monthly  
25 audited statements would be provided to the investor by an accountant. However, all statements  
26

1 submitted to investors after investing were created by BRADFORD in the form of emails and  
2 spreadsheet account summaries and are not audited.

3 18. On or about March 7, 2006 the Fishing Partners – Salmon, LLC (“FPS LLC”) was  
4 formed in the State of Arizona. FPS LLC was formed to allow BRADFORD to manage the  
5 investor funds and to provide investors with an interest in the fund. Two investors were listed as  
6 members of the FPS LLC at this time.

7 19. Pursuant to public records of the Commission, at all times relevant BRADFORD  
8 was the manager of FPS LLC.

9 20. On or about March 8, 2006, BRADFORD opened a brokerage account in FPS  
10 LLC’s name with Scottrade, Inc., (“Scottrade Account”), an online brokerage firm, to deposit the  
11 pooled money which enabled BRADFORD to, including but not limited to, trade stocks and  
12 options, use margin trading (to use borrowed funds to employ trades or trading strategies), and  
13 write authorized checks.

14 21. On or about March 9, 2006, at least one investor’s monies were deposited into the  
15 Scottrade Account to allow BRADFORD to manage and trade.

16 22. BRADFORD was the only individual authorized to transact and access the  
17 Scottrade Account for all times relevant.

18 23. None of the investors managed or participated in the management of the Scottrade  
19 Account.

20 24. A formal FPS LLC Operating Agreement (“Operating Agreement”) was drafted to  
21 memorialize the legal rights and agreements of BRADFORD, FPS LLC and each investor.  
22 Investors would be given “unit certificates” representing a certain number of shares of FPS LLC  
23 that corresponded with their respective interest in the fund based on their percentage of  
24 contribution.

25 25. The Operating Agreement stated that FPS LLC was formed for the purpose of  
26 operating a financial services company and any other lawful business.

1           26. All profits would inure to FPS LLC and then be paid out annually or as determined  
2 by a majority of members, to investors in proportion to their interest as reflected in the "unit  
3 certificate."

4           27. The Operating Agreement was executed by six (6) total investors (the two original  
5 March 7, 2006 LLC members plus 4 additional investors), who were combined and all became  
6 members of the FPS LLC, which became effective as of May 1, 2006. The investors each received  
7 a "unit certificate" document evidencing their respective interest based on their percentage of  
8 contribution.

9           28. Pursuant to the Operating Agreement, BRADFORD as Manager, was vested the  
10 power to manage and control the business affairs of FPS LLC as evidenced by the "Powers of the  
11 Manager(s)" enumerated in the Operating Agreement Section VII, subsection (A) and (B)  
12 respectively, including but not limited to, the ability to:

13           a) "To engage in any activity and to execute, perform, and carry out the  
14 purchase or sale of investments, execution of trades, contracts or agreements of any kind [...].";

15           b) "To sell, exchange, convey, lease, or otherwise dispose of all or part of any  
16 personal Company property [...]" with approval by at least 60% of members;

17           c) "To acquire by purchase, lease, exchange, or otherwise any Company  
18 tangible or intangible asset [...].";

19           d) "[...], to lend money and receive debt instruments [...] on behalf of the  
20 Company for any approved Company purpose [...].";

21           e) "To employ agents, employees, [and other third parties to carry out the  
22 Company business]"; and

23           f) "To invest and reinvest, on behalf of the Company, Company funds [...]."

24  
25           29. In addition, the FPS LLC Operating Agreement Section VII, subsection (F) stated  
26 that no individual member shall take part in the control or management of FPS LLC business.

1           30. BRADFORD executed hundreds of trades within the Scottrade Account on almost a  
2 daily basis and made decisions, such as the advisability of investing in the type of and which  
3 security.

4           31. BRADFORD and FPS LLC, through its members, agreed that the compensation for  
5 his management and services would equate to (i) a one-time management fee equal to 2% of the  
6 capital investment made by the investor and (ii) 20% of all profits made by the "Hedge Fund" to be  
7 paid quarterly and no unauthorized withdrawals by BRADFORD were allowed. This was  
8 memorialized in the Operating Agreement.

9           32. All investment services and advice provided by BRADFORD would be paid as part  
10 of the above compensation structure as there were no other contracts between the parties.

11           33. For all times relevant, BRADFORD had custody of the investor's assets as the sole  
12 applicant on the FPS Scottrade Account and sole party to transact and manage the pooled investor  
13 funds.

14           34. BRADFORD delivered periodic unaudited statements to investors showing  
15 individual balances and year-to-date gains exceeding 30% (and some higher than 100%) to  
16 investors; however the balances and year-to-date gains submitted did not reflect the true and actual  
17 account balances and gains, which were far below the values represented by BRADFORD and  
18 were actually negative.

19           35. On or about August 15, 2007, based on the statements showing profits and positive  
20 returns, at least one investor purchased additional FPS membership interests of \$250,000  
21 ("Additional Investment") and his monies were deposited into the Scottrade Account.

22           36. Prior to the deposit of the Additional Investment, the Scottrade Account balance  
23 was less than \$500.

24           37. Approximately 7 days following the Additional Investment deposit, BRADFORD  
25 wrote a check for \$70,000 from the Scottrade Account to a different investor who had been  
26 requesting liquidation.





1 c) Misrepresented to at least one investor not to worry about losing their  
2 principal as he was worth millions and could guarantee the funds. However, when losses did arise,  
3 BRADFORD did not repay the investor their principal or interest upon request;

4 d) Misrepresented that he was a current trader for T. Boone Pickens and  
5 managed a multimillion dollar fund when in fact he was not and never had been a trader or fund  
6 manager for T. Boone Pickens;

7 e) Failed to disclose that investor funds received would be used to pay other  
8 investors; and

9 f) Failed to disclose that FPS Scottrade Account funds would be withdrawn for  
10 personal use when no authority or authorization was obtained or given and BRADFORD marked  
11 some withdrawals as earned fees or commissions, when in fact no fees or commissions were earned  
12 pursuant to the Operating Agreement since no net profits were realized;

13 50. This conduct violates A.R.S. § 44-1991.

14 **VII.**

15 **VIOLATION OF A.R.S. § 44-3151**

16 **(Transactions by unregistered investment adviser or investment advisor representative)**

17 51. Respondent transacted business in Arizona as an investment adviser or investment  
18 adviser representative while not licensed or in compliance with Article 4 of the IM Act.

19 52. This conduct violates A.R.S. § 44-3151.

20 **VIII.**

21 **VIOLATION OF A.R.S. § 44-3241**

22 **(Fraud in the provision of investment advisory services)**

23 53. Respondent engaged in a transaction or transactions within or from Arizona  
24 involving the provision of investment advisory services in which BRADFORD are, directly or  
25 indirectly: (i) employing a device, scheme, or artifice to defraud; (ii) making untrue statements of  
26 material fact or omitting to state material facts that are necessary in order to make the statements

1 made not misleading in light of the circumstances under which they are made; (iii) misrepresenting  
2 professional qualifications with the intent that the client rely on the misrepresentation; or (iv)  
3 engaging in transactions, practices, or courses of business that operate or would operate as a fraud or  
4 deceit. Respondent's conduct includes, but is not limited to, the following:

5 a) Delivered periodic unaudited statements showing individual balances and  
6 year-to-date gains exceeding 30% (and some higher than 100%) to investors; however the balances  
7 and year-to-date gains submitted did not reflect the true and actual account balances and gains,  
8 which were far below the stated values and were actually negative; and

9 b) Misappropriated investment funds for personal use and marked some  
10 withdrawals as earned fees or commissions, when in fact no fees or commissions were earned  
11 pursuant to the Operating Agreement since no net profits were realized.

12 54. This conduct violates A.R.S. § 44-3241.

13 **IX.**

14 **REQUESTED RELIEF**

15 The Division requests that the Commission grant the following relief:

16 55. Order Respondent to permanently cease and desist from violating the Securities Act,  
17 pursuant to A.R.S. § 44-2032, and the IM Act, pursuant to § 44-3292;

18 56. Order Respondent to take affirmative action to correct the conditions resulting from  
19 Respondent's acts, practices, or transactions, including a requirement to make restitution pursuant to  
20 A.R.S. §§ 44-2032, and 44-3292;

21 57. Order Respondent to pay the state of Arizona administrative penalties of up to five  
22 thousand dollars (\$5,000) for each violation of the Securities Act, pursuant to A.R.S. § 44-2036;

23 58. Order Respondent to pay the state of Arizona administrative penalties of up to one  
24 thousand dollars (\$1,000) for each violation of the IM Act, pursuant to A.R.S. § 44-3296;

25  
26



XI.

ANSWER REQUIREMENT

1  
2  
3 Pursuant to A.A.C. R14-4-305, if a Respondent or a Respondent Spouse requests a hearing,  
4 the requesting Respondent must deliver or mail an Answer to this Notice of Opportunity for  
5 Hearing to Docket Control, Arizona Corporation Commission, 1200 W. Washington, Phoenix,  
6 Arizona 85007, within 30 calendar days after the date of service of this Notice. Filing instructions  
7 may be obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet  
8 web site at <http://www.azcc.gov/divisions/hearings/docket.asp>.

9 Additionally, the answering Respondent must serve the Answer upon the Division.  
10 Pursuant to A.A.C. R14-4-303, service upon the Division may be made by mailing or by hand-  
11 delivering a copy of the Answer to the Division at 1300 West Washington, 3<sup>rd</sup> Floor, Phoenix,  
12 Arizona, 85007, addressed to Phong (Paul) Huynh.

13 The Answer shall contain an admission or denial of each allegation in this Notice and the  
14 original signature of the answering Respondent or Respondent's attorney. A statement of a lack of  
15 sufficient knowledge or information shall be considered a denial of an allegation. An allegation  
16 not denied shall be considered admitted.

17 When the answering Respondent intends in good faith to deny only a part or a qualification  
18 of an allegation, the Respondent shall specify that part or qualification of the allegation and shall  
19 admit the remainder. Respondent waives any affirmative defense not raised in the answer.

20 The officer presiding over the hearing may grant relief from the requirement to file an  
21 Answer for good cause shown.

22 Dated this 23rd day of July, 2008.

23  
24 

25 Matthew J. Neubert  
26 Director of Securities

PTH/RB

**STATEMENT OF PERSONAL FINANCIAL CONDITION**

INSTRUCTIONS: Print or type all answers. All questions must be answered. If you need more space, use separate sheets of paper to complete the answers and attach them to the Statement. Round all amounts to the nearest dollar. Use estimates when your records are insufficient and identify them as "Est". Enter amounts under Affiant's spouse only if they are the sole and separate property, liability, income or expense of your spouse. You guarantee the accuracy of the entries in this form, including all attachments. You authorize the State of Arizona to investigate the accuracy and completeness of the statements made herein. PROVIDING FALSE INFORMATION OR OMITTING MATERIAL INFORMATION IN THIS FORM IS A CRIMINAL OFFENSE. Also, providing false information may result in the termination of any agreement you may have with the State now or in the future. This INFORMATION IS SUBMITTED WITH THE INTENT THAT THE STATE OF ARIZONA SHALL RELY UPON IT. The person completing this form is referred to herein as the "Affiant." Both spouses must sign unless Affiant includes a detailed statement of the reasons the "Spouse" has not signed. When this form asks about money or property, the word "you" and "spouse" include any rights or interest either have in the money or property, whether direct or indirect, formal or informal, including, but not limited to 1) any interest in an IRA, 401(K) plan, or any other retirement or pension plan whatsoever, and 2) any interest held by any of your minor children or any relative living with you.

Date 9-22-08

AFFIANT			
First Name <u>Cynthia</u>	Middle <u>L</u>	Last <u>White</u>	Social Security Number [REDACTED]
Present Home Address <u>554 S Ranolce St</u>			Date of Birth [REDACTED]
City, Town or Post Office, State and Zip code <u>Gibert AZ 85096</u>			
How long at this address? _____ months _____ years			
State all other addresses at which you have resided more than a total of two weeks during the five years preceding the date you sign this affidavit. If additional space is required, supplement your response by attaching additional pages. <u>200 N Meridian #117 Mesa AZ</u>			
(Former Address)		City, Town or Post Office, State and ZIP Code	
How long at this address? <u>2</u> months _____ years			
(Former Address)		City, Town or Post Office, State and ZIP Code	
<u>3963 N Pinnacle Hills Cr</u>		<u>Mesa 85207</u>	
How long at this address? _____ months _____ years <u>6 weeks</u>			
Home Telephone Number <u>480 558 7048</u>		Work Telephone Number <u>480 206-7100</u>	
Other Past or Present Names Used by Affiant: <u>Cynthia L O'Dowd</u>		Other Past or Present Social Security Numbers Used by Affiant:	

AFFIANT'S SPOUSE:			
First Name	Middle	Last	Social Security Number
Present Home Address			Date of Birth
City, Town or Post Office, State and Zip Code			
How long at this address? _____ months _____ years			
State all other addresses at which you have resided more than a total of two weeks during the five years preceding the date you sign this affidavit. If additional space is required, supplement your response by attaching additional pages.			
(Former Address)		City, Town or Post Office, State and ZIP Code	
How long at this address? _____ months _____ years			
(Former Address)		City, Town or Post Office, State and ZIP Code	
How long at this address? _____ months _____ years			
Home Telephone Number		Work Telephone Number	
( )		( )	
Other Past or Present Names Used by Affiant's Spouse:		Other Past or Present Social Security Numbers Used by Affiant's Spouse:	

**PRESENT EMPLOYMENT STATUS**

**AFFIANT:**

1. Occupation: Sales (Software)

2. Employer: Saratotech Inc  
(Name)

14 Monarch Bay P #429  
(Address)

Dana Point CA

949 - 340 - 3592  
(Area Code - Telephone Number)

3. Length of employment: 6 months

4. Name of immediate supervisor: Michael Alegro

5. Annual income for the past full calendar year Cindy White ( ): \$ 19,495.34

6. Annual income for each of the two full calendar years preceding last calendar year  
Richard didn't give me his income \$ ?

7. List any other present occupations and employers  
(Provide the information in paragraphs 1-6 above for each):  
Independence Realty  Income

List all other employment (including self-employment) for the past 3 years including occupation, employer, supervisor, dates of employment, salary, job title, and job responsibilities. If additional space is required, supplement your response by attaching additional pages.

- 1st USA Realty
- Chicos
- Strategic Alliance
- Starbucks

**AFFIANT'S SPOUSE:**

1. Occupation: NA

2. Employer: \_\_\_\_\_  
(name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Area Code - Telephone Number)

3. Length of employment: \_\_\_\_\_

4. Name of immediate supervisor: \_\_\_\_\_

5. Annual income for the past full calendar year ( ): \$ \_\_\_\_\_

Name: Cindy White Page 4

Cindy White  
Annual income for each of the two full calendar years preceding last calendar year  
2005 - 7738.47  
2006 31,038.00  
2007 \$13,673.00

Richard Bradford income I dont know 2006?  
2007?  
Richard Income - 2005 15,431.04

7. List any other present occupations and employers  
(Provide the information in paragraphs 1-6 above for each):

List all other employment (including self-employment) for the past 3 years including occupation, employer, supervisor, dates of employment, salary, job title, and job responsibilities. If additional space is required, supplement your response by attaching additional pages.

- 1st USA Realty 2007
- Chicos 2007
- Strategic Alliance Mktg LLC 1-27-08 - 2-08-2008
- Starbucks Coffee 1-14-08 - 2008
- Staratech 3-2008

**INCOME**

Set forth the amount of all income that you and your spouse receive each month or the monthly average that you and your spouse have received for the past six months. Enter amounts under "spouse" only if they are the sole and separate property, liability, income or expense of the spouse.

	Affiant/Joint	Spouse
1. Gross monthly pay .....	\$ <u>2952</u>	\$ _____
Payroll deductions:		
Income Taxes and FICA .....	\$ _____	\$ _____
Retirement deductions .....	\$ _____	\$ _____
Other deductions (describe below).....	\$ _____	\$ _____
2. Net monthly pay .....	\$ <u>2464.00</u>	\$ _____
3. All other income. State the names, address and telephone number of the payor and describe the source of each payment in the Addendum below.		
Rents (After expenses).....	\$ _____	\$ _____
Retirement income .....	\$ _____	\$ _____
Social Security income .....	\$ _____	\$ _____
Dividends and interest income .....	\$ _____	\$ _____
Disability pay .....	\$ _____	\$ _____
Unemployment pay .....	\$ _____	\$ _____
Child support.....	\$ _____	\$ _____
Spousal maintenance.....	\$ _____	\$ _____
Trust income .....	\$ _____	\$ _____
Other (specify)* .....	\$ _____	\$ _____
TOTAL MONTHLY INCOME.....	\$ <u>2464.00</u>	\$ _____
Give details in Addendum below.		
TOTAL COMBINED MONTHLY INCOME.....		\$ _____

Addendum  
I have income from Saratech Inc. started  
March 2008

**EXPENSES**

Set forth the amount of all expenses that you and your spouse pay each month or the monthly average that you and your spouse have paid for the past six months.

	Affiant/Joint	Spouse
1. Rent/Mortgage payment .....	\$ <u>1000</u>	\$ <u>1000</u>
2. Housekeeping .....	\$ <u>0</u>	\$ <u>0</u>
3. Yardwork .....	\$ <u>0</u>	\$ <u>0</u>
4. Child care .....	\$ <u>0</u>	\$ <u>0</u>
5. Insurance (not incl. in mtge pymt.) .....	\$ <u>0</u>	\$ <u>0</u>
6. Taxes (not incl. in mortgage pymt.) .....	\$ <u>0</u>	\$ <u>0</u>
7. Water, sewer and sanitation .....	\$ <u>30</u>	\$ <u>0</u>
8. Electricity .....	\$ <u>100</u>	\$ <u>0</u>
9. Gas .....	\$ <u>40</u>	\$ <u>0</u>
10. Telephone .....	\$ <u>10</u>	\$ <u>0</u>
11. Car payments: own lease .....	\$ <u>0</u>	\$ <u>0</u>
12. Alimony and/or child support .....	\$ <u>0</u>	\$ <u>0</u>
13. Food .....	\$ <u>0</u>	\$ <u>0</u>
14. Entertainment .....	\$ <u>0</u>	\$ <u>0</u>
15. Other expenses not included above .....	\$ <u>683</u>	\$ <u>0</u>
(attach an explanation)		
TOTAL MONTHLY EXPENSE .....	\$ <u>1773</u>	\$ <u>0</u>

TOTAL COMBINED MONTHLY EXPENSES \$ \_\_\_\_\_

Car Insurance	100 <sup>00</sup>	Balance
Medical (Hospital)	50 <sup>00</sup>	1200 <sup>00</sup>
Lawyer	100.00	800 <sup>00</sup>
Health Ins	333.00	
TR S	100.00	1000 <sup>00</sup>

**ASSETS**

Set forth the fair market value of all assets in which you and your spouse have an interest. Enter amounts under "spouse" only if they are the sole and separate property, liability, income or expense of the spouse.

	Affiant/Joint	Spouse
1. Cash on hand .....	\$ 100 <sup>-</sup>	\$
2. Cash in financial institutions (complete Schedule A) .....	\$ 0	\$
3. Stock, bonds, and mutual funds (complete Schedule B) .....	\$ 0	\$
4. Options (Complete Schedule B) .....	\$ 0	\$
5. Commodity futures (Complete Schedule B) .....	\$ 0	\$
6. Limited Liability Company (LLC) interests (Provide details in Schedule K below) .....	\$ 0	\$
7. Other securities (not included above) (Provide details in Schedule K below) .....	\$ 0	\$
8. Insurance policy cash value (complete Schedule C) .....	\$ 0	\$
9. Funds - owed to you by others (Provide details in Schedule K below) .....	\$ 0	\$
10. Funds or property held for you by others (Provide details in Schedule K below) .....	\$ 0	\$
11. Residence (complete Schedule E) .....	\$ 0	\$
12. Vacation home (complete Schedule E) .....	\$ 0	\$
13. Farms and Ranches (complete Schedule E) .....	\$ 0	\$
14. Vacant land (complete Schedule E) .....	\$ 0	\$
15. Rental property (complete Schedule E) .....	\$ 0	\$
16. Business property (complete Schedule E) .....	\$ 0	\$
17. Motor vehicles (complete Schedule D) .....	\$ 5000	\$
18. Recreational vehicle and trailers (complete Schedule D) .....	\$ 0	\$

19. Boats and aircraft (complete Schedule D).....	\$	0	\$
20. Mobile homes (complete Schedule D).....	\$	0	\$
21. Furniture.....	\$	500	\$
22. Jewelry.....	\$	50	\$
23. Livestock, poultry and other animals.....	\$	0	\$
24. Farming supplies and implements.....	\$	0	\$
25. Office equipment, furnishings and Supplies.....	\$	500	\$
26. Inventory.....	\$	0	\$
27. Patents, copyrights, franchises.....	\$	0	\$
28. Partnership interests.....	\$	0	\$
29. Equitable and future interests, or life estate.....	\$	0	\$
30. Trusts.....	\$	0	\$
31. Precious metals, coins or stones.....	\$	0	\$
32. Stamps or other collections.....	\$	0	\$
33. Firearms.....	\$	0	\$
34. Antique furniture.....	\$	0	\$
35. Paintings, statues or other art objects.....	\$	0	\$
36. Cameras, videos and audio equipment.....	\$	0	\$
37. Pension funds, profit sharing funds.....	\$	0	\$
38. IRA's and Keogh plans.....	\$	0	\$
39. Deferred compensation plans.....	\$	0	\$
40. Other assets (attach details).....	\$	0	\$
41. Accounts receivable (complete Schedule F).....	\$	0	\$
TOTAL ASSETS.....	\$	6150	\$
TOTAL COMBINED ASSETS			\$

## LIABILITIES

Set forth all obligations that you and your spouse have as of the date of this statement.

	Affiant/Joint	Spouse
1. Loans secured by real estate (complete Schedule J).....	\$ 0	\$
2. Other secured loans payable (complete Schedule G).....	\$ 0	\$
3. Unsecured loans or accounts payable (complete Schedule H).....	\$ 0	\$
4. Bank charge card balances (complete Schedule I).....	\$ 1400 <sup>00</sup>	\$
5. Taxes payable..... IRS	\$ 1000 <sup>00</sup>	\$
6. Other liabilities (not listed above - attach details)..... Medical Lawyer	\$ 1700 <sup>00</sup>	\$
<b>TOTAL LIABILITIES</b> .....	<b>\$ 9100<sup>00</sup></b>	\$
<b>TOTAL COMBINED LIABILITIES</b>		\$

Medical 1200<sup>00</sup>  
 Lawyer 500<sup>00</sup>  
 C. Cards 1400<sup>00</sup>  
 IRS 1000<sup>00</sup>  
 Furniture 5000<sup>00</sup>

Mr Bradford OK'd 50,000<sup>00</sup> dollars worth of furniture owed to Bella Mor Interior Designs. In the Divorce I committed to pay \$5,000.00 -

Name:

*Cindy White*

**SCHEDULES**

**SCHEDULE A - Cash in financial institutions**

INSTRUCTIONS: Provide the following information on all bank accounts, including checking, savings, credit union, certificates of deposit which are in your name, your spouse's name or in which you have an interest. Specify the name(s) of the person(s) on the account.

Bank/Branch/Address	Type of Account	Account Number	Balance
[REDACTED]	<i>Checking Account</i>		<i>200<sup>00</sup></i>
2.			
3.			
4.			

**SCHEDULE B - Securities, including options and commodities futures**

INSTRUCTIONS: Provide the following information on all stocks, bonds, mutual funds, or other securities in which you or your spouse have an interest. Specify the name of the person on the stocks or bonds and where held.

Description	Number of Shares or Units Held	Market Value
<i>NA</i>		

Name:

*Cindy White*

Page 12

**SCHEDULE C - Life Insurance**

INSTRUCTIONS: Provide the following information on all life insurance policies in which you or your spouse have an interest. Specify the name of the person on the policies

Name & Address Of Company	Policy Number	Owner	Insured	Face Value	Cash Value	Loans or Assignments
<i>NA</i>						
<i>NA</i>						
<i>NA</i>						

**SCHEDULE D - Motor vehicles, mobile homes, boats, aircraft (include recreational vehicles, trailers, etc.)**

INSTRUCTIONS: Provide the following information on all motor vehicles, recreational vehicles, mobile homes, trailers or boats in which you or your spouse have an interest. If leased, complete paragraph 8 on page 18.

Year	Make	Model	License No.	Purchase Price	Value
<i>2000</i>	<i>Ford</i>	<i>Mustang</i>	<i>894. RTZ</i>	<i>10,000</i>	<i>6,000</i>

Name:

Cindy White

Page 13

**SCHEDULE E - Real Estate**

**INSTRUCTIONS:** Provide the following information for all real estate in which you or your spouse have an interest.

Address of Property	Title in Name of	Purchase Price	Year Bought	Estimated Value	Indebtedness
1. NA					
<b>Annual Payments:</b>					
<b>To Whom Payable:</b>					
<b>Purpose for which used:</b>					

Address of Property	Title in Name of	Purchase Price	Year Bought	Estimated Value	Indebtedness
2. NA					
<b>Annual Payments:</b>					
<b>To Whom Payable:</b>					
<b>Purpose for which used:</b>					

Address of Property	Title in Name of	Purchase Price	Year Bought	Estimated Value	Indebtedness
3. NA					
<b>Annual Payments:</b>					
<b>To Whom Payable:</b>					
<b>Purpose for which used:</b>					

Name: Andy White Page 14

Address of Property	Title in Name of	Purchase Price	Year Bought	Estimated Value	Indebtedness
4. <u>NA</u>					

Annual Payments:  
 To Whom Payable:  
 Purpose for which used:

Address of Property	Title in Name of	Purchase Price	Year Bought	Estimated Value	Indebtedness
5. <u>NA</u>					

Annual Payments:  
 To Whom Payable:  
 Purpose for which used:

**SCHEDULE F - Accounts Receivable**

**INSTRUCTIONS:** Provide the following information on your receivables of all kinds, including notes or accounts receivable, in which you or your spouse have an interest. (State whether pledged or assigned, and if so, to whom.)

Detailed description	Date Acquired	Amount	Present Value
<u>NA</u>			

*Gandy White*

<b>SCHEDULE G - Secured Loans</b>			
<b>INSTRUCTIONS: Provide the following information on all loans secured by any collateral, unless listed in Schedule J.</b>			
<b>1.</b>	<b>Name and Address of Lender</b>	<b>Monthly Payment</b>	<b>Balance Due</b>
<b>Collateral:</b>			
<b>2.</b>			
<b>Collateral:</b>			
<b>3.</b>			
<b>Collateral:</b>			
<b>4.</b>			
<b>Collateral:</b>			
<b>5.</b>			
<b>Collateral:</b>			
<b>6.</b>			
<b>Collateral:</b>			

Name:

*Cindy White*

Page 16

**SCHEDULE H - Unsecured loans or accounts payable**

**INSTRUCTIONS:** Provide the following information on all unsecured loans, accounts or installments on which you or your spouse are obligated, excluding mortgages or deeds of trust. Specify whether you or your spouse or both are obligated.

Name and Address of Lender	Monthly Payment	Balance Due
1. <i>WA</i>		
2.		
3.		
4.		
5.		
6.		
7.		

Name:

*Cindy White*

Page 16

**SCHEDULE H - Unsecured loans or accounts payable**

**INSTRUCTIONS:** Provide the following information on all unsecured loans, accounts or installments on which you or your spouse are obligated, excluding mortgages or deeds of trust. Specify whether you or your spouse or both are obligated.

Name and Address of Lender	Monthly Payment	Balance Due
1. <i>WA</i>		
2.		
3.		
4.		
5.		
6.		
7.		

Name:

Cindy White

Page 17

**SCHEDULE I - Bank credit cards.**

**INSTRUCTIONS:** Provide the following information on all bank charge cards in your name or your spouse's name.

Issuer Name and Address	Account No. /Description	Monthly Payment	Amount Owning	Dollar Limit
[REDACTED]	[REDACTED]	25 <sup>00</sup>	166 <sup>00</sup>	250 <sup>00</sup>
[REDACTED]	[REDACTED]	25 <sup>00</sup>	60 <sup>00</sup>	350 <sup>00</sup>
[REDACTED]	[REDACTED]	20 <sup>00</sup>	50 <sup>00</sup>	250 <sup>00</sup>
[REDACTED]	[REDACTED]	100	1200 <sup>00</sup>	1500 <sup>00</sup>

**SCHEDULE J - Mortgages and Deeds of Trust**

**INSTRUCTIONS:** Provide the following information for each mortgage or deed of trust on which you or your spouse owe money. Include secured leases.

Name and Address of Lender	Account No.	Loan Amount	Monthly Payment	Balance
1. NA				
<b>Collateral:</b>				
2. NA				
<b>Collateral:</b>				

Name:

Cindy White

Page 18

**SCHEDULE K**

**INSTRUCTION:** List all other property, property rights or income if not described elsewhere in this form. State the name, address and phone number of the provider of all income and location of all property.

MA

1. Do you or your spouse have any liability as guarantor or endorser (co-maker)?

Yes \_\_\_\_\_ No  \_\_\_\_\_

If yes, indicate for whom, name and address of that person, and amount.

2. Do you have access to any safe deposit box or other depository for securities, cash or other valuables?

Yes \_\_\_\_\_ No  \_\_\_\_\_

If yes, state:

(a) Name and address of bank or institution where located.

(b) Name and address of each person having access to depository.

(c) Complete description of items in depository as of date of receiving this statement.

3. Is there any property now being held for you in the name of some person other than yourself, or is any person, firm, or entity holding anything for you or for your benefit, whether the arrangement is formal or informal, oral or written?

Yes \_\_\_\_\_ No  \_\_\_\_\_

If yes, state:

(a) Description of item.

(b) Date of transfer.

(c) Amount transferred.

(d) Name, title, address, and telephone number of the person, firm or entity holding the property, and the person firm or entity for whom it is being held.

4. Have you entered into any transactions with any other relatives, persons or entities involving a transfer, conveyance, assignment or other disposition of any of your real or personal property in the past five years?

Yes \_\_\_\_\_ No  \_\_\_\_\_

For each item of property involved in the transactions, state:

(a) Description.

(b) Date of transaction.

Name:

*Cindy White*

Page 20

(c) Consideration received.

(d) Name and address of person, relative or entity.

5. Have you or your spouse ever been denied a bond, either personally or in connection with business?

Yes \_\_\_\_\_ No

If yes, state:

(a) Name under which you applied

(b) Name of spouse.

(c) Name and address of bonding company, date and type of bond

6. Have either you or your spouse been named as a party in any matter pending in any tribunal or has a judgment, conviction, assurance of discontinuance, assurance of voluntary compliance or a determination by a judicial, administrative, or legislative tribunal been entered against either of you?

Yes \_\_\_\_\_ No

If yes, state separately for each matter:

(a) Case or Docket Number and names of parties of each matter

(b) Name, mailing address and telephone number of tribunal

(c) Status of each matter.

(d) Amount of offers of settlement and precise terms of disposition or resolution

(e) Date of filing.

Name: Cindy White Page 10

**NET WORTH**

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Set forth your combined net worth. If this amount is different than your Total Combined Assets less your Total Combined Liabilities, then you must explain in detail on a separate sheet the reasons for the difference.

TOTAL COMBINED NET WORTH \$ 6150<sup>00</sup>

The Arizona Corporation Commission  
Docket # S-20605A-08-0377

In May 31 2005 I gave Richard Bradford in good faith as he was my husband at the time a check for 42,000.00 to go back to his field as a Hedge Fund Manager. This 42,000.00 came from the sale of my home in May of 2005. In addition to starting the Fund he also told me he bought 35,000 shares of Calais stock to keep for our retirement. This company name was the Barracuda Group LLC.

Cindy White  
554 S Roanoke  
Gilbert, AZ  
85296

May 20 through June 20, 2005  
 Account Number [REDACTED]  
 Page 2 of 5  
 117,608

**Activity detail**  
**Deposits**

Date	Description	\$ Amount
05/27	Deposit	1,200.00
05/31	Deposit	42,000.00
06/01	Uscg Treas 310 Fedannuity 060105 XXXXX0600 R W Bradford	506.61
06/01	Us Treasury 220 VA Benefit 060105 Richard W Bradford	109.50
06/10	Deposit	900.00
<b>Total deposits</b>		<b>\$44,716.11</b>

**Cashier's Check**

No. **004566577**

Notice to Purchaser - In the event this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement.

Date **MAY 31, 2005**

91-170/1221

Banking Center **GILBERT & GUADALUPE**

0002205 00012 004566577

**CYNTHIA L BRADFORD**  
 Remitter (Purchased By)

\$ **42,000.00**

Pay **FOORTY TWO THOUSAND DOLLARS AND 00 CENTS**

To The Order Of **RICHARD BRADFORD**

Tran 00126 05/31/2005 12:29 NAZ  
 R/T# 540860137 CC 0002205 Tr 00012  
 Account **NON-NEGOTIABLE**

03-14-3774B 7-1999

Bank of America, N.A.  
 Phoenix, AZ

Official Check Sale \$42,000.00  
 Customer Copy 42,000.00  
 Retain For Your Records

**Other withdrawals**

Date	Description	\$ Amount
05/20	POS Purchase - 05/20 Mach ID 000000 Arco Paypoint Arco Paypogilbert AZ 2002 ?MCC= 5541 122105278DA	29.90
05/23	POS Purchase - 05/22 Mach ID 000000 Diamnd 1601 Shadiamnd 160Gilbert AZ 2002 ?MCC= 5542 122105278DA	15.33
05/23	POS Purchase - 05/22 Mach ID 000000 Arco Paypoint Arco Paypogilbert AZ 2002 ?MCC= 5541 122105278DA	12.61
05/23	POS Purchase - 05/22 Mach ID 000000 Diamnd 1601 Shadiamnd 160Gilbert AZ 2002 ?MCC= 5541 122105278DA	3.54
05/25	POS Purchase - 05/25 Mach ID 000000 Shell Service Sshell Servglobe AZ 2002 ?MCC= 5541 122105278DA	22.45

Continued on next page

# NOTICE

## REGULAR OPEN MEETING

### OF THE ARIZONA CORPORATION COMMISSION

DATE: Tuesday, October 7, 2008

TIME: 10:00 a.m.

Hearing Room  
Arizona Corporation Commission  
1200 West Washington Street, 1st Floor  
Phoenix, Arizona 85007

This shall serve as notice of a regular open meeting of the Arizona Corporation Commission at the above location for consideration, discussion, and possible vote of the items on the following agenda and other matters related thereto. Please be advised that the Commissioners may use this open meeting to ask questions about the matters on the agenda; therefore, the parties to the matters to be discussed or their legal representatives are requested, though not required, to attend. The Commissioners may move to executive session, which will not be open to the public, for the purpose of legal advice pursuant to A.R.S. §§ 38-431.03.A.2, 3 and/or 4 on the matters noticed herein. The Commissioners may also move to executive session, which will not be open to the public, for other purposes specified in A.R.S. §§ 38-431.03, including discussions, consultations or considerations of Commission personnel and salary matters, on matters noticed herein.

The Arizona Corporation Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, as well as request this document in an alternative format, by contacting Linda Hogan, phone number (602) 542-3931, E-mail [lhogan@azcc.gov](mailto:lhogan@azcc.gov). Requests should be made as early as possible to allow time to arrange the accommodations.

BRIAN C. McNEIL  
Executive Director

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ARIZONA CORPORATION COMMISSION  
AGENDA

Open Meeting Date – Tuesday, October 7, 2008 – 10:00 a.m.

Securities

1. Richard Bradford and Cindy Bradford, Husband and Wife (S-20605A-08-0377) – Order to Cease and Desist, Restitution, Administrative Penalties and Consent to Same By: Cindy Bradford (a.k.a. Cindy White)
2. Richard Bradford and Cindy Bradford, Husband and Wife (S-20605A-08-0377) – Order to Cease and Desist, Restitution and Administrative Penalties Regarding Richard Bradford
3. CAG Capital, Inc. dba Glendale Car Connection (S-20607A-08-0381) – Order to Cease and Desist, Restitution, Administrative Penalties and Consent to Same By: CAG Capital, Inc. and Kim K. Collins
4. Guillermo Ricardo De La Vara (S-20616A-08-0449) – Order to Cease and Desist, Restitution, Administrative Penalties and Consent to Same By: Guillermo Ricardo De La Vara, Mortgage Notes, Inc., MNI Properties, L.L.C. and Erlinda De La Vara
5. Stanley Lane Boblett (a/k/a Lane Boblett) and Antonia Boblett (a/k/a Toni Boblett), Pacific Coast Holding Company and Hall of Fame Partners, LLC (S-20609A-08-0398) – Order to Cease and Desist, Restitution and Administrative Penalty Re: Pacific Coast Holding Company and Hall of Fame Partners, LLC
6. Property Quest D.J.E., Inc., Donald J. Emmons, III and Stacy S. Emmons (S-20617A-08-0468) – Order to Cease and Desist, Restitution, Administrative Penalties and Consent to Same By: Property Quest D.J.E., Inc., Donald J. Emmons, III and Stacy S. Emmons

Utilities

1. Cellco Partnership dba Verizon Wireless (T-20598A-08-0327 and T-03887A-08-0327) – Application for a Finding of No Jurisdiction, or, in the Alternative, a Waiver of the Affiliated Interest Rules Pursuant to A.A.C. R14-2-806, or in the Alternative, Approval Pursuant to A.A.C. R14-2-803

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

IN THE MATTER OF:

DOCKET NO S-20605A-08-0377

RICHARD BRADFORD (CRD #2706290) and  
CINDY BRADFORD (a.k.a. Cindy White),  
husband and wife,

Respondents.

PROCEDURAL ORDER

**BY THE COMMISSION:**

On July 23, 2008, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Richard Bradford and Cindy (Bradford) White, husband and wife (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts

Respondents were duly served with copies of the Notice.

On August 6, 2008, Respondent Cindy (Bradford) White filed a letter in the docket indicating that she was divorced from Respondent Richard Bradford on March 3, 2008. Although Ms. White did not request a hearing in her letter, in order to provide her with due process of law, a status conference should be scheduled and where, if she appears, her intentions may be discerned. If she does not appear, it will be presumed that she did not request a hearing with respect to the allegations contained in the Notice and the Division may proceed accordingly.

Mr. Bradford has not requested a hearing.

Accordingly, a status conference should be held to determine the status of the proceeding.

...  
...  
...

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COPY

COMMISSIONERS

DOCKETED

NOV 12 2008

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

OCT - 8 2008

DOCKETED BY MM



MICHAEL J. JAMES, CLERK  
M. KNOX, DEPUTY CLERK

In the matter of  
Richard Bradford (CRD# 2706290) and  
Cindy Bradford (a.k.a. Cindy White),  
husband and wife;  
  
Respondent.

DOCKET NO. S-20605A-08-0377

TJ 2008-012843

DECISION NO. 70544

ORDER TO CEASE AND DESIST, FOR  
RESTITUTION, FOR ADMINISTRATIVE  
PENALTIES AND CONSENT TO SAME

BY: CINDY BRADFORD (A.K.A. CINDY  
WHITE)

Respondent Cindy Bradford a.k.a. Cindy White ("Respondent" or "C. BRADFORD") elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") and Articles 7 and 8 of the Arizona Investment Management Act, A.R.S. § 44-3101 *et seq.* ("Investment Management Act") with respect to this Order To Cease And Desist, For Restitution, For Administrative Penalties and Consent to Same ("Order"). Respondent admits the jurisdiction of the Arizona Corporation Commission ("Commission"); neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order; and consents to the entry of this Order by the Commission.

I.

FINDINGS OF FACT

1. Respondent was at all relevant times the spouse of Respondent RICHARD BRADFORD ("BRADFORD"). Respondent was joined in this action under A.R.S. §§ 44-2031(C) and 44-3291(C) solely for purposes of determining the liability of the marital community.



1 artifice to defraud, (b) making untrue statements or misleading omissions of material facts, (c)  
2 misrepresenting professional qualifications with the intent that the misrepresentation be relied on,  
3 and/or (d) engaging in transactions, practices, or courses of business that operate or would operate  
4 as a fraud or deceit.

5 12. BRADFORD's conduct is grounds for a cease and desist order pursuant to A.R.S.  
6 § 44-2032 and A.R.S. § 44-3292.

7 13. BRADFORD's conduct is grounds for an order of restitution pursuant to A.R.S. §  
8 44-2032 and A.R.S. § 44-3292.

9 14. BRADFORD's conduct is grounds for administrative penalties under A.R.S. § 44-  
10 2036 and A.R.S. § 44-3296.

11 15. BRADFORD'S conduct binds the marital community pursuant to A.R.S. §§ 25-214  
12 and 25-215.

13 III.

14 ORDER

15 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondent's  
16 consent to the entry of this Order, attached and incorporated by reference, the Commission finds  
17 that the following relief is appropriate, in the public interest, and necessary for the protection of  
18 investors:

19 IT IS FURTHER ORDERED that Respondent complies with the attached Consent to Entry  
20 of Order.

21 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 and A.R.S. § 44-3292, that the  
22 BRADFORD ORDER under Docket No. S-20605A-08-0377 entered against BRADFORD is a  
23 liability of the marital community of Respondent and BRADFORD. The marital community of  
24 Respondent shall, jointly and severally with BRADFORD, pay restitution to the Commission in  
25 the amount of \$1,298,416.36. Payment shall be made in full on the date of this Order. Any  
26 amount outstanding shall accrue interest at the rate of 10% per annum from the date of this Order

*Not individual -  
of their own assets.*

1 until paid in full. Payment shall be made to the "State of Arizona" to be placed in an interest-  
2 bearing account controlled by the Commission. The Commission shall disburse the funds on a  
3 pro-rata basis to investors shown on the records of the Commission. Any restitution funds that the  
4 Commission cannot disburse because an investor refuses to accept such payment shall be disbursed  
5 on a pro-rata basis to the remaining investors shown on the records of the Commission. Any funds  
6 that the Commission determines it is unable to or cannot feasibly disburse shall be transferred to  
7 the general fund of the state of Arizona.

8 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036 and A.R.S. § 44-3296, that the  
9 BRADFORD ORDER under Docket No. S-20605A-08-0377 entered against BRADFORD is a  
10 liability of the marital community of Respondent and BRADFORD. The marital community of  
11 Respondent shall, jointly and severally with BRADFORD, pay an administrative penalty in the  
12 amount of \$100,000.00. Payment shall be made to the "State of Arizona." Any amount  
13 outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid  
14 in full. Payment shall be made in full on the date of this Order. The payment obligations for these  
15 administrative penalties shall be subordinate to any restitution obligations ordered herein and shall  
16 become immediately due and payable only after restitution payments have been paid in full or  
17 upon Respondent's default with respect to Respondent's restitution obligations.

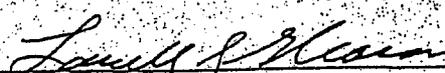
18 For purposes of this Order, a bankruptcy filing by Respondent shall be an act of default. If  
19 Respondent does not comply with this Order, any outstanding balance may be deemed in default  
20 and shall be immediately due and payable.

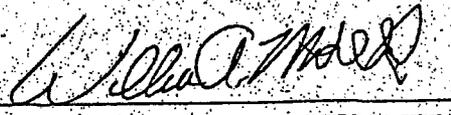
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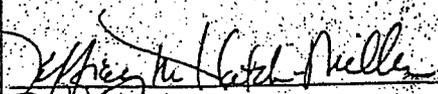
1 IT IS FURTHER ORDERED, that if Respondent fails to comply with this order, the  
2 Commission may bring further legal proceedings against Respondent, including application to the  
3 superior court for an order of contempt.

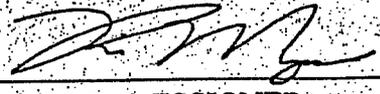
4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

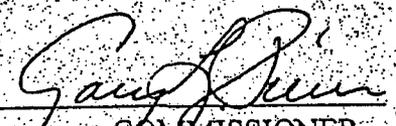
5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

6  
7   
8 CHAIRMAN

  
9 COMMISSIONER

10   
11 COMMISSIONER

  
12 COMMISSIONER

  
13 COMMISSIONER

14 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
15 Executive Director of the Arizona Corporation  
16 Commission, have hereunto set my hand and caused the  
17 official seal of the Commission to be affixed at the  
18 Capitol, in the City of Phoenix, this 8<sup>th</sup> day of  
19 October, 2008.

  
20 BRIAN C. McNEIL  
21 EXECUTIVE DIRECTOR

22 DISSENT

23 DISSENT

24 This document is available in alternative formats by contacting Linda Hogan, ADA Coordinator,  
25 voice phone number 602-542-3931, e-mail [lhogan@azcc.gov](mailto:lhogan@azcc.gov).

26 PTH

ASST -  
Mark Devel

- Maricopa Community District  
long divorced -

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CONSENT TO ENTRY OF ORDER

1. Respondent C. BRADFORD, an individual, admits the jurisdiction of the Commission over the subject matter of this proceeding. Respondent acknowledges that Respondent has been fully advised of Respondent's right to a hearing to present evidence and call witnesses and Respondent knowingly and voluntarily waives any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act, Article 7 of the Investment Management Act and Title 14 of the Arizona Administrative Code. Respondent acknowledges that this Order to Cease and Desist, For Restitution, For Administrative Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

2. Respondent knowingly and voluntarily waives any right under Article 12 of the Securities Act and Article 8 of the Investment Management Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

3. Respondent acknowledges and agrees that this Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Respondent understands and acknowledges that Respondent has a right to seek counsel regarding this Order, and that Respondent has had the opportunity to seek counsel prior to signing this Order. Respondent acknowledges and agrees that, despite the foregoing, Respondent freely and voluntarily waives any and all right to consult or obtain counsel prior to signing this Order.

5. Respondent neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order. Respondent agrees that Respondent shall not contest the validity of the Findings of Fact and Conclusions of Law contained in this Order in any present or future administrative proceeding before the Commission or any other state agency concerning the denial or issuance of any license or registration required by the state to engage in the practice of any business or profession.

1           6.       By consenting to the entry of this Order, Respondent agrees not to take any action  
2 or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding  
3 of Fact or Conclusion of Law in this Order or creating the impression that this Order is without  
4 factual basis.

5           7.       Respondent understands that this Order does not preclude the Commission from  
6 referring this matter to any governmental agency for administrative, civil, or criminal proceedings  
7 that may be related to the matters addressed by this Order.

8           8.       Respondent understands that this Order does not preclude any other agency or  
9 officer of the state of Arizona or its subdivisions from instituting administrative, civil, or criminal  
10 proceedings that may be related to matters addressed by this Order.

11          9.       Respondent agrees that Respondent will continue to cooperate with the Securities  
12 Division including, but not limited to, providing complete and accurate testimony at any hearing in  
13 this matter and cooperating with the state of Arizona in any related investigation or any other  
14 matters arising from the activities described in this Order.

15          10.      Respondent acknowledges that any restitution or penalties imposed by the  
16 BRADFORD ORDER under Docket No. S-20605A-08-0377 entered against BRADFORD are  
17 obligations of both BRADFORD and the Respondent's marital community.

18          11.      Respondent consents to the entry of this Order and agrees to be fully bound by its  
19 terms and conditions.

20          12.      Respondent acknowledges and understands that if Respondent fails to comply with  
21 the provisions of the order and this consent, the Commission may bring further legal proceedings  
22 against Respondent, including application to the superior court for an order of contempt.

23          13.      Respondent understands that default shall render Respondent liable to the  
24 Commission for its costs of collection and interest at the maximum legal rate.

25          14.      Respondent agrees and understands that if Respondent fails to make any payment as  
26 required in the Order, any outstanding balance shall be in default and shall be immediately due and

1 payable without notice or demand. Respondent agrees and understands that acceptance of any  
2 partial or late payment by the Commission is not a waiver of default by the Commission.

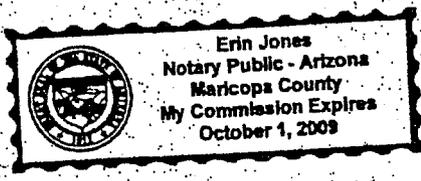
3  
4 *Cindy Bradford Cindy White*  
5 CINDY BRADFORD A.K.A. CINDY WHITE

6  
7 STATE OF ARIZONA )  
8 County of *Maricopa* ) ss

9 SUBSCRIBED AND SWORN TO BEFORE me this 22 day of September, 2008.

10  
11 *Erin Jones*  
12 NOTARY PUBLIC

13 My commission expires:  
14 Oct. 1 2009



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21 PTH

1 BE IT REMEMBERED that the above-entitled and  
2 numbered matter came on regularly to be heard before the  
3 Arizona Corporation Commission, in Hearing Room 1 of  
4 said Commission, 1200 West Washington Street, Phoenix,  
5 Arizona, at 11:04 a.m. before TERESE HEISIG, Certified  
6 Reporter No. 50378 for the State of Arizona.

7

8

9 BEFORE: MARC E. STERN Administrative Law Judge

10

11 APPEARANCES:

12

13 For the Securities Division:

14 ARIZONA CORPORATION COMMISSION  
15 Securities Division  
16 By: Mr. Phong (Paul) Huynh  
1300 West Washington Street  
Phoenix, Arizona 85007

17

18 For the Respondent:

19

20 CINDY L. WHITE, PRO PER  
554 South Roanoke Street  
Gilbert, Arizona 85296

21

22 ALSO PRESENT:

23

Mr. Ronald Baran, Special Investigator

24

25

1 ALJ STERN: This proceeding is now open in the  
2 matter of Richard Bradford and Cindy Bradford in Docket  
3 S-20605A-08-0377.

4 My name is Marc Stern. I will preside this  
5 morning.

6 And on behalf of the Securities Division?

7 MR. HUYNH: Phong Paul Huynh on behalf of the  
8 Division, Judge.

9 ALJ STERN: All right. And your last name  
10 again? Sorry.

11 MR. HUYNH: Huynh.

12 ALJ STERN: How do I spell that?

13 MR. HUYNH: Like W-i-n-n.

14 ALJ STERN: Present on behalf of -- at least one  
15 Respondent is here. I believe Cindy White?

16 MS. WHITE: That's correct.

17 MR. HUYNH: Sorry, Judge, I misspoke. It is  
18 spelled H-u-y-n-h, but it is pronounced like W-i-n-n.

19 ALJ STERN: H-u.

20 MR. HUYNH: Y-n-h.

21 ALJ STERN: But it is pronounced Winn?

22 MR. HUYNH: Yes.

23 ALJ STERN: Easy. This proceeding is just a  
24 prehearing conference. The Division filed this matter,  
25 I guess, July 23rd against Mr. Bradford, who was --

1 appears to have been, or may still be, a licensed  
2 securities salesperson.

3 Ms. White, they included you in here under the  
4 statute, because, apparently, in some way, shape, or  
5 form, you may have been married, I'm not sure, during  
6 the relevant period of time that the Division alleges.  
7 And I know you filed a letter, which we aren't really  
8 sure exactly what it represents, but it indicated you're  
9 divorced from the Respondent. You didn't request a  
10 hearing. I don't know whether you want a hearing. And  
11 it may be that if the Division wasn't aware of your  
12 status in relationship to the Respondent -- I know in  
13 some cases, I have seen the spouse or the ex-spouse  
14 dismissed from a proceeding. I don't know the  
15 circumstances, but you might want to discuss this matter  
16 with the Division. I know you are alleging you have no  
17 funds with which to retain counsel, but that is up to  
18 you.

19 Have you had a chance, Ms. White, to talk to Mr.  
20 Huynh about this matter at all?

21 MS. WHITE: Yes, I have. I had let him know  
22 that I would be more than willing to work with him in  
23 any way that I can to do justice and put this man away.

24 ALJ STERN: Okay. Apparently, Mr. Bradford  
25 didn't request a hearing, Mr. Huynh, so I assume the

1 Division is going to proceed with a default proceeding  
2 in that respect?

3 MR. HUYNH: Yes, Judge, more than likely.

4 ALJ STERN: Is he still licensed, or was his  
5 license suspended or --

6 MR. HUYNH: He has been terminated, Judge, I  
7 believe, since 2001. He is not currently a licensed or  
8 registered broker or salesman.

9 ALJ STERN: All right. With respect to  
10 Ms. White, have you made any determination what the  
11 Division's position is on this?

12 MR. HUYNH: Yes. It is the Division's position  
13 for the relevant time period, and, generally speaking,  
14 from May 2006 to November of 2007 is the general  
15 relevant time period, the parties were still married and  
16 that there was community benefit between Mr. Bradford  
17 and Ms. White, and, thus, the reason she is being added  
18 under 20-31(c).

19 ALJ STERN: Well, why don't you take a few  
20 minutes here. Ms. White, as I said, you didn't  
21 really -- at least your letter doesn't state that you  
22 are requesting a hearing, and I don't know whether you  
23 want one. I can come back and ask, or I can direct, if  
24 you want one, to file a letter requesting a hearing.  
25 What assets you have or maybe don't have, may or may not

1 be affected by this proceeding, and I suggest that you  
2 discuss the matter with the Division a little bit.

3 How much in the way of discussions have you had  
4 with her, other than the fact that she was married  
5 during what you alleged was a relevant period in time?

6 MR. HUYNH: Judge, we've advised her that we  
7 cannot provide her legal advice, but I did make it known  
8 to her, on a couple of occasions, that if she would like  
9 to talk about a consent order to resolve this matter  
10 that we could work with her and discuss actual terms at  
11 that point in time. And she wasn't quite certain, I  
12 think, what that really entailed and meant, so she  
13 wanted to explore and try to see if the Court can give  
14 her some guidance. Again, the Court can't give her  
15 legal advice either, but with the document in front of  
16 us, we were uncertain, too, whether she was requesting a  
17 hearing or not. We want to make sure, for the record,  
18 what her position is on that.

19 ALJ STERN: Okay. Ms. White, I guess they are  
20 talking about a period of time whenever this investment  
21 opportunity was presented to investors, and I don't know  
22 exactly how it worked or what happened or transpired.  
23 The Division is willing to talk to you if you are  
24 interested. You can do nothing. If you don't want a  
25 hearing, you can say on the record, I don't want a

1 hearing. Or you can -- and that will be fine. They can  
2 proceed with the default order. You can enter into a  
3 consent order with them. That is up to you. You can  
4 request a hearing. I can't give you any advice. I  
5 don't know whether ASU has a legal clinic or whatever.

6 MS. WHITE: Can I ask a question?

7 ALJ STERN: Yes.

8 MS. WHITE: Am I being charged with anything?

9 ALJ STERN: I guess, I can tell you this. They  
10 are alleging that you and your husband were married  
11 during a certain period of time, and the reason that  
12 they named you is that under the law, whatever  
13 portion -- and I don't know what transpired in a court  
14 of domestic relations, what assets you may or may not  
15 have, may have been a result of that. I have no idea,  
16 and they don't either. But it is up to you to decide  
17 what you want to do. And if you need more time to make  
18 up your mind because you are unrepresented, that can be  
19 taken into account, too.

20 But what I'm going to do is take a recess, and I  
21 will let you talk to Mr. Huynh and his associate, who is  
22 an investigator with the Division, and, you know, decide  
23 if you want a hearing, you can have a hearing. Not  
24 today, but --

25 MS. WHITE: Could you explain, in your words, a

1 consent order? That would allow me to give them  
2 whatever information I could possibly give them without  
3 basically having some type of immunity.

4 ALJ STERN: I will let them tell you what a  
5 consent order is, essentially. I will tell you this,  
6 your ex-husband did not -- I assume he is your  
7 ex-husband -- did not request a hearing, and I don't  
8 know what is going to happen with him, but what normally  
9 happens is they take a default order from the Commission  
10 against him, finding that he did whatever they alleged.  
11 As a result of that, the Commission has the authority  
12 under law to order restitution to victims, assuming they  
13 are able to find any assets to make restitution with,  
14 and/or to impose sanctions against him. You are a  
15 respondent named under the statute as his spouse at the  
16 time, and if the marital community was benefiting from  
17 his actions, then, you know, that is an issue for the  
18 Commission to make a determination what portion of the  
19 marital community or if, in fact -- the basic statute  
20 just says, you know, that the marital community is  
21 liable.

22 So you can talk to the Division. I will take a  
23 recess. You may want to get on board with what they  
24 will offer you and avoid the requirements of  
25 participating in a hearing, because if you want a

1 hearing, I will have you file something in writing to  
2 have a hearing. That doesn't necessarily mean you will  
3 even show up, because lots of people don't show up, but  
4 that is up to you. So with that, we will take a recess,  
5 and I will instruct the court reporter to come and find  
6 me if you all can't agree on anything or if you think  
7 you are going to resolve it, and I will just put it on  
8 my calendar for a certain date in the future to review  
9 the status and see what we have. So let's take a  
10 recess, and I will wait and see what happens. Thank  
11 you.

12 (Recess from 11:14 a.m. until 11:36 a.m.)

13 ALJ STERN: Have you all decided one way or the  
14 other what you want to do?

15 MS. WHITE: As I originally told them, I want  
16 to sign a consent to work with them to give them  
17 everything that I can possibly help.

18 ALJ STERN: Okay. Why don't we do this. I  
19 will just recess this matter. If the Division needs  
20 further action on the hearing division's part, I will  
21 let you file a motion, and, otherwise, I will assume I  
22 will see this on an agenda in the not-too-distant future  
23 and see the matter disposed of that day. Okay?

24 MR. HUYNH: Yes, Judge.

25 ALJ STERN: Thank you. That concludes this

1 matter.

2 (The proceedings concluded at 11:36 a.m.)

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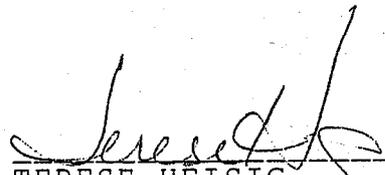
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1 STATE OF ARIZONA )  
2 COUNTY OF MARICOPA) ss.

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I, TERESE HEISIG, Certified Reporter No. 50378 for the State of Arizona, do hereby certify that the foregoing printed pages constitute a full, true and accurate transcript of the proceedings had in the foregoing matter, all done to the best of my skill and ability.

WITNESS my hand this 12th day of September, 2008.

  
-----  
TERESE HEISIG  
Certified Reporter  
Certificate No. 50378

**Cindy White**

---

**From:** Paul Huynh [phuynh@azcc.gov]  
**Sent:** Wednesday, September 24, 2008 6:53 AM  
**To:** cindy  
**Subject:** RE: Consent Order

Dear Cindy:

Yes, I did receive it. Just want to make sure you sent the original in the mail to me. As for the other paperwork, please make a copy for yourself or scan it again and send me the original by end of next week. The agenda for October 7, 2008 is being put together and we are on it so it will be mailed to you as a confirmation of date and time (most likely October 7, 2008 at 10:00 am). It is your option if you want to be present for this open meeting.

---

**From:** cindy [mailto:cindy\_white@cox.net]  
**Sent:** Tuesday, September 23, 2008 8:05 PM  
**To:** Paul Huynh  
**Subject:** RE: Consent Order

Hi Paul,  
I just remembered you wanted me to leave you a message when I sent the document. I hope you realized I scanned it and sent it to your email. Please let me know if you received it. I have started filling out the other paperwork as well.  
Regards  
Cindy White

---

**From:** Paul Huynh [mailto:phuynh@azcc.gov]  
**Sent:** Wednesday, September 17, 2008 10:02 AM  
**To:** cindy\_white@cox.net  
**Cc:** Ronald Baran  
**Subject:** Consent Order

Dear Cindy:

Attached is the Consent Order that we talked about at the September 4, 2008 meeting. Please review this order and take the opportunity to consult with legal counsel if you so choose. **If you agree to consent, Please send me the executed Consent Order on or before September 22, 2008.** The other documents (statement of financial position) will be needed before October 6, 2008 but you have more time to work on that. Feel free to contact me if you have any questions. Also, the Division has notaries on staff so if you would prefer to come to our offices to execute the document on or before 9/23/08, we can arrange that for you if it is easier for you. If we get the executed documents in time, we will put this on the October 7, 2008 Open Meeting which will allow us to enter into the Consent Order and resolve the matter that day.

<<Consent Order - Cindy Bradford.pdf>>

9/24/2008

Consent Order

Regards,

Phong (Paul) Huynh  
Staff Attorney  
Arizona Corporation Commission, Securities Division  
1300 W Washington, 3rd Floor  
Phoenix, AZ 85007  
Phone (602) 542-0908  
Fax (602) 594-7436

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**I WAS MARRIED TO A PSYCHOPATH AND DIDN'T KNOW IT  
Wall Street, Money, Wealth, Hedge Funds, Narcissism, Lies, Adultery, and  
Addiction.**

I was with a man for 7 years that was warm loving and giving told me of his life of a being a Navy Seal, worked for Goldman Saks and successfully took many large clients away from them to start his own Hedge Fund.

Worked with Microsoft big wigs to build his Fund. The Fund was up in running in the late 90's and was going great only to be taken by some of his partners that wiped him out and left the county, 2 were never found but one is still in jail in New York.

Talked of a child hood of beatings from an Alcoholic father and treated like a slave to manage the family farm at the age of 7.

After a roller coaster ride of 5 years of job after job and many failed attempts at VC Deals he was able to start a fund with a T. Boone Pickens the Oil Millionaire. They made a deal for him to use the private jet and had a list of the elite and an entourage to raise over 400 million in capital over a year and a half period while traveling extensively. Rich didn't come home for weeks sometimes he was playing the market during the day and traveling to sometimes 10 states on the weekend to meet potential clients.

I was his biggest cheerleader.

He was the best and beating all the numbers for all the Hedge Funds we were on our way and had told me he had got his respect on Wall Street. He met with the biggest names on the Forbes list and he was highly respected, talked about helicopter rides, big ranches, Big money, and the office in Houston.

The Fund started with 50 million in Feb 2007 it was a thrill, only to have the SEC come into shut him down as there was money transferred from an offshore account the SEC held the fund up for months as the FBI and SEC investigated then Homeland Security was involved and they were in the office asking lots of questions.

He also had a small fund and he was doing great also he was up over 200% when he would come back to town we would meet with the clients and have wonderful dinners and work on many VC deals.

The Marlin Fund finally got up and running the SEC lifted the hold and the Marlin Fund launched in July of 2007. Not long after him reaching over 600 million in capital Rich went to wire some money to buy a bank in Scottsdale only to find the wire never got there he ran out to ask where the girl was that did the transfer and the employees said she had a family emergency and had to leave suddenly. He immediately called the FBI and they traced her to NY and She had left there and went to Germany they picked her up there and she wasn't talking she took over 5 million from us personally so all our assets were frozen while the investigation continued. T Boone Pickens was furious rich called the FBI; you just don't want those guys in your office snooping around. They found that this girl embezzled money from Pickens as well they locked up his assets to.

He flew back that night after the wire didn't get transferred but he felt horrible for the clients that we were buying into the bank as they never got there money, we ended up going to dinner with them anyway.

Finally in October 2007 things were coming together so we found a house we wanted to buy we moved forward it was in a high end neighborhood on a golf course my dream house so we signed a contract and we were to close October 16th. The money was still tied up because the FBI and they were investigating everyone in T Boone Pickens Office to see who else was involved in the wire transfer. So we decided to move in on a lease purchase. We were so happy we had everyone over for Thanksgiving to share our excitement of his success. Then November 26th came he left early in the morning to go to the accountant to wire the money for the house so we could close and he was wiring money to the investors of the small fund to close it down. Rich never came home that night I called his partner and he had not heard from him either finally at 8 pm he text us to say he needed 48 hours. Nothing was adding up so the next morning I remembered in his security code for his phone bill online and printed out the numbers and found there were no phone numbers to TX my heart started beating very fast so I and started calling the numbers that were on the list and made a contact with a Viv and I asked how she new Rich she said I am his girlfriend and I said I AM HIS WIFE. Only to find out he never went to Texas there was no T Boone Pickens no SEC or FBI investigation he was only going down the street to her house. Yes it was a scam yes he embezzled money. He left me in the million dollar house I had to move out in 3 days, I had no job, no money, and no place to live.

My question is how do you get beyond such betrayal, humiliation, and shame of being married to a Psychopath?

**TRUE STORY AND THERE IS SO MUCH MORE!**

**COMMISSIONERS**  
KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

MICHAEL P. KEARNS  
INTERIM EXECUTIVE DIRECTOR



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**ARIZONA CORPORATION COMMISSION**

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**CONFIDENTIAL MEMORANDUM**

TO: Chairman Mayes  
Commissioner Pierce  
Commissioner Newman  
Commissioner Kennedy  
Commissioner Stump

FROM: Matt Neubert, Director  
Securities Division

DATE: February 10, 2009

RE: Cindy Bradford aka Cindy White  
Docket S-20605A-08-0377 (Fishing Partners Salmon LLC)  
Decision No. 70544

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With this memorandum, I am responding to inquiries from Chairman Mayes' and Commissioner Pierce's offices regarding correspondence they have received from Cindy White. Ms. White has delivered documents to Chairman Mayes and Commissioner Pierce that Ms. White claims prove that the Commission should not have entered an order against her.

I am also providing a copy of this response to Commissioners Newman, Kennedy, and Stump for their reference and review if they have been contacted as well. To my knowledge, Ms. White has also contacted the office of the attorney general's bankruptcy and collections enforcement section and me.

Background

On October 8, 2008, the Commission entered a default order against Mr. Bradford. On the same date, Ms. White consented to entry of an order against the marital community of Mr. Bradford and Ms. White. Pursuant to Arizona law, Ms. White was joined as a respondent in the action because she was married to Richard Bradford at the time he violated the law.

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After Ms. White consented to entry of the order, the Securities Division forwarded that order to the Bankruptcy and Collection Enforcement Section of the office of the attorney general ("BCE"). The Division also forwarded the default order against Mr. Bradford to BCE. BCE sent letters to Ms. White and to Mr. Bradford demanding payment.

Ms. White has informed BCE that she will not make any payments, will not discuss settlement, and wants to be dismissed from her consent order. Even though Ms. White was asked and confirmed at the open meeting that she understood she was waiving her rights to appeal the order, Ms. White now wants the Commission to simply "dismiss" her.

The facts and the law support entry of the consent order against Ms. White

In order to protect investors, Arizona securities law holds that people who engage in securities transactions wrongfully are liable for the full extent of the harm they have caused. Securities laws reflect the fact that the violators and those around them, not the investors, are better equipped to stop or avoid the harm. The securities act does not limit the state's remedy to the amount of money a violator puts directly into his or her own pocket.

Arizona law also presumes that a married individual engages in a business activity to benefit the marital community. If the spouses cannot prove that the community did not benefit—or was not intended to benefit—the community is liable for the obligations that result from a married individual's business activity. Thus, the Commission entered an order against the marital community of Richard Bradford and his ex-wife, Cindy White for Mr. Bradford's harm to investors in excess of one million dollars. Ms. White consented to the entry of the order against the community, but now objects. Ms. White argues that she is a victim and should not be financially responsible for any investor losses caused by her husband during their marriage. Ms. White says that at the time she consented to the order she was suffering PTSD and she was coerced. Based on her statements at the open meeting, Ms. White has lost the lifestyle Mr. Bradford was providing to her.

With respect to the Commission's administrative action, Ms. White was told several times that she had a right to a hearing. Ms. White, however, did not take her opportunity to provide any evidence to the Commission. At a pre-hearing conference, both Judge Stern and the Securities Division attorney told Ms. White that she could ask for a hearing. Ms. White declined and chose to enter into a consent order.

The transcript for the pre-hearing conference shows that neither Securities Division staff nor Judge Stern coerced Ms. White. Ms. White was present at that conference. Both Judge Stern and the Division's attorney explained to Ms. White that staff of the Commission could not give her legal advice. Ms. White appeared before the Commission at open meeting prior to entry of the order. At the open meeting, Ms. White confirmed that she chose to enter into the consent order.

Community property law and background regarding Commission jurisdiction

Arizona is one of a handful of community property states. In community property states, either spouse can obtain property and incur debt on behalf of the community. In Arizona, unlike other community property states, before a creditor can collect from the marital community, both spouses must be joined in any legal action so that each spouse has an opportunity to prove that the property or debt does not belong to the community. The burden of proof is on the spouses.<sup>1</sup>

Prior to 2002, the Commission entered orders only against the individuals who had violated the securities laws. When the respondent of a Commission order was married, BCE then brought an action in superior court to join the spouse so that BCE could collect the restitution and penalties from the marital community.

In 2002, the legislature authorized the Commission to include spouses in administrative actions to truncate the procedural steps. Pursuant to A.R.S. §§ 44-2031 and 44-3291, the Securities Division includes the spouses as respondents so that the spouses have the opportunity to prove any restitution and penalty order is not an obligation of the marital community, as presumed. Through its opinions, the courts have made clear that if a spouse is not included in the initial action, the creditor cannot then bring a subsequent action to include the spouse.

Securities Division investigation in this matter

Neither Mr. Bradford nor Ms. White requested a hearing in this matter, thus, the only facts on the record are the Commission's findings contained in the default order entered against Mr. Bradford and the Commission's findings to which Ms. White consented and contained in her consent order.

While the burden is on the respondents, the Securities Division was prepared to refute any evidence either Mr. Bradford or Ms. White might have submitted at a hearing that the community did not and was not intended to benefit from Mr. Bradford's activities. Based on information obtained during its investigation, the Securities Division believes that not only was Mr. Bradford conducting business on behalf of the community, but some of the investors' money was misappropriated to pay for rent, furniture, and community expenses. Additionally, some of the investors' money was misappropriated and placed directly into the hands of Ms. White.

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<sup>1</sup> Under Arizona's community property law, the spouse has the obligation and burden of rebutting the legal presumption that debts incurred during marriage are community debts. See, e.g., *Schlaefel v. Financial Management Service*, 196 Ariz. 336, 339, 996 P.2d 745, 748 (Ct. App. 2000); *Hoffman Company v. Meisner*, 17 Ariz. App. 263, 267, 407 P.2d 83, 87 (1972). A spouse who seeks to avoid liability for the other spouse's debt bears the burden of establishing, by clear and convincing evidence, that the obligation is not a community obligation. *Id.*

To avoid community liability, a spouse is required to present clear and convincing evidence that the acting spouse did not intend to benefit the community; actual benefit to the community is not required. See *Hofmann Company v. Meisner*, 17 Ariz. App. 263, 267, 407 P.2d 83, 87 (1972) (disregarding subjective intent and considering objective intent based on surrounding circumstances of transaction). Benefit to the community does not have to be the actor's primary goal; all that is required is that some benefit be intended for the community. The operation of a business is evidence of such intent because of the potential for earnings—earnings of either spouse are community property. *Id.*

Collection against the marital community

Ms. White incorrectly asserts that she was told that, because she is divorced, she would not be liable for the restitution. Ms. White was not given legal advice regarding the impact on her of an order entered against the marital community.

At the open meeting on October 8, 2008, Securities Division staff stated to the Commissioners that staff believed that collection against the marital community would include assets that were derived from that community. Staff did acknowledge that they were not experts on community property law and collections.

BCE instructs us that the law in Arizona requires both spouses to remain liable for community obligations following a divorce. Any allocation of liabilities between divorcing parties is determinative only with respect to the spouses. A creditor is not bound by the divorce allocation and a divorce does not absolve spouses of their community obligations. *See e.g. Community Guardian Bank v. Hamlin*, 182 Ariz. 627, 631, 898 P.2d 1005, 1009 (Ct. App. 1995). Thus, BCE may garnish Ms. White's wages.

In *Community Guardian Bank v. Hamlin*, a wife objected to the garnishment of her wages after her divorce. Her husband had embezzled funds from the Community Guardian Bank. A default order had been entered against Mrs. Hamlin. Mrs. Hamlin did not believe she should be responsible for repaying those funds. The Arizona Court of Appeals determined that the bank could garnish the separate property wages of the ex-wife to satisfy her community obligation of restitution.

Please let me know if you have questions or would like to discuss this matter.