

ORIGINAL

OPEN MEETING AGENDA ITEM



0000107365

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

FEB 17 2010

2010 FEB 17 P 2:37

AZ CORP COMMISSION  
DOCKET CONTROL

DOCKETED BY	<i>MW</i>
-------------	-----------

COMMISSIONERS

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

In the matter of:

MICHAEL C. REYNOLDS, a married man;  
TANZIA REYNOLDS, a married woman;  
CASH 2 U, LLC, an Arizona limited liability  
DOS NINAS, LLC, an Arizona limited liability  
company;  
PAR 3 MANAGEMENT, LLC, an Arizona  
limited liability company;

Respondents.

DOCKET NO. S-20692A-09-0372

**FIFTH**  
**PROCEDURAL ORDER**  
**(Reschedules**  
**Pre-Hearing Conference)**

**BY THE COMMISSION:**

On July 7, 2009, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Michael C. Reynolds and Tanzia Reynolds, husband and wife, Cash 2 U, LLC ("C2U"), Dos Ninas, LLC ("2NL"), and Par 3 Management, LLC ("Par 3") (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 promissory notes and/or investment contracts.

The Respondents were duly served with copies of the Notice.

On August 13, 2009, a request for hearing was filed by Respondent, Tanzia Reynolds.

On August 18, 2009, by Procedural Order, a pre-hearing conference was scheduled on September 15, 2009.

On September 10, 2009, Tanzia Reynolds filed a request for a 60-day continuance of the pre-hearing conference stating that she required additional time to retain counsel.

On September 11, 2009, the Division filed its response to Ms. Reynolds' request. The

1 Division objected to a 60-day continuance, but indicated that it did not object to a 30-day continuance  
2 pointing out that Ms. Reynolds had notice of this proceeding since the beginning of August.  
3 Subsequently, by Procedural Order, the pre-hearing conference scheduled on September 15, 2009,  
4 was continued to October 15, 2009.

5 On October 15, 2009, at the pre-hearing conference, the Division and Respondent, Tanzania  
6 Reynolds, appeared with counsel. Counsel for the Division indicated that the parties will discuss a  
7 settlement, but one has not been concluded between the parties. The Division requested that a  
8 hearing be scheduled in the interim. Subsequently, the parties agreed to the scheduling of a hearing  
9 in February 2010 to last approximately one week, if they are unable to conclude a form of Consent  
10 Order for Commission approval.

11 On January 13, 2010, the Division filed a Motion to Continue Administrative Hearing and  
12 Request for a Pre-Hearing Conference. The Division indicated that it had reached a tentative  
13 settlement with Respondent Tanzania Reynolds and requested a pre-hearing conference be scheduled  
14 pending approval of the settlement in the form of a Consent Order at the Commission's February 18,  
15 2010, Open Meeting.

16 On January 14, 2010, by Procedural Order, the hearing was vacated, and a pre-hearing was  
17 scheduled on March 4, 2010. However, due to a scheduling conflict the pre-hearing must be  
18 continued.

19 **IT IS THEREFORE ORDERED** that the **pre-hearing conference scheduled on March 4,**  
20 **2010, shall be continued to March 9, 2010, at 10:30 a.m.** at the Commission's offices, 1200 West  
21 Washington Street, Room 100, Phoenix, Arizona.

22 **IT IS FURTHER ORDERED** that the Division shall file a motion to vacate the pre-hearing  
23 conference if the Consent Order is approved by the Commission at its February 18, 2010, Open  
24 Meeting, as previously ordered.

25 **IT IS FURTHER ORDERED** that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
26 Communications) applies to this proceeding as the matter is now set for public hearing.

27 **IT IS FURTHER ORDERED** that withdrawal or representation must be made in compliance  
28 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the

1 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
2 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
3 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
4 Administrative Law Judge or the Commission.

5 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
6 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission  
7 *pro hac vice*.

8 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,  
9 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by  
10 ruling at hearing.

11 DATED this 17<sup>th</sup> day of February, 2010.

12  
13  
14   
15 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

16 Copies of the foregoing mailed/delivered  
17 this 17<sup>th</sup> day of February, 2010 to:

18 Jess A. Lorona  
19 LORONA STEINER DUCAR, LTD.  
20 3003 North Central Avenue, Suite 1500  
Phoenix, AZ 85012-2909  
Attorney for Respondent Tanzia Reynolds

21 Matt Neubert, Director  
22 Securities Division  
ARIZONA CORPORATION COMMISSION  
23 1300 West Washington Street  
Phoenix, AZ 85007

24 ARIZONA REPORTING SERVICE, INC.  
25 2200 North Central Avenue, Suite 502  
Phoenix, AZ 85004-1481

26 By:   
27 Debra Broyles  
Secretary to Marc E. Stern

28