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BEFORE THE ARIZONA CORPORATION COMMISSION

CARL J. KUNASEK
CHAIRMAN
JIM IRVIN
COMMISSIONER
WILLIAM A. MUNDELL
COMMISSIONER

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SEP 19 2000

AZ CORP COMMISSION
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IN THE MATTER OF:

DOCKET NO. S-03280A-00-0000

JOSEPH MICHAEL GUESS, SR.
2911 E. Calavar Road
Phoenix, Arizona 85032

PROGRESSIVE FINANCIAL MANAGEMENT
2911 E. Calavar Road
Phoenix, Arizona 85032

JAMES DOUGLAS SHERRIFFS
5544 East Helena Drive
Scottsdale, Arizona 85254

RICHARD GORDON DAVIS
4330 North 30th Street
Phoenix, Arizona 85016

RGD
4330 North 30th Street
Phoenix, Arizona 85016

RGD ENTERPRISES, INC.
4330 North 30th Street
Phoenix, Arizona 85016

IRA JOE PATTERSON
4330 North 30th Street
Phoenix, Arizona 85016

RANDALL WAYNE SMITH, JR.
1905 Springlake Court
Birmingham, Alabama 35215

BALLY OVERSEAS TRADING INC.
1905 Springlake Court
Birmingham, Alabama 35215,

Respondents.

FIFTH
PROCEDURAL ORDER

BY THE COMMISSION:

On April 6, 2000, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order

1 for Relief (“Notice”) against Joseph Michael Guess, Sr., Progressive Financial Management, James
2 Douglas Sherriffs, Richard Gordon Davis, RGD, RGD Enterprises, Inc., Ira Joe Patterson, Randall
3 Wayne Smith, Jr., and Bally Overseas Trading, Inc., (“Bally”) (collectively the “Respondents”) in
4 which the Division alleged multiple violations of the Arizona Securities Act (“Act”) in connection
5 with the offer and sale of securities in the form of investment contracts.

6 All Respondents with the exception of Respondents Smith and Bally were duly served with
7 copies of the Notice.

8 On April 17, 2000, counsel for Respondent Richard G. Davis filed a request for hearing.

9 On April 21, 2000, Respondents, Joseph Michael Guess, Sr. and Ira J. Patterson, filed requests
10 for hearing.

11 On April 24, 2000, Respondent, James D. Sherriffs, filed a request for hearing.

12 On May 11, 2000, a pre-hearing conference was held. Respondent Davis and the Division
13 were present with counsel. Respondents Guess, Patterson and Sheriffs were not present, Respondents
14 Guess and Patterson had also requested continuances. After a discussion of certain procedural
15 matters, it was agreed that an additional pre-hearing conference would be scheduled.

16 On May 25, 2000, the Commission scheduled a pre-hearing conference on June 7, 2000.

17 On June 7, 2000, a pre-hearing conference was held with the Division, and Respondents
18 Guess and Patterson in attendance. A discussion was conducted on scheduling the hearing when
19 witnesses and parties could be available.

20 On July 25, 2000, the hearing commenced with evidence presented by the Division and again
21 on July 26 and July 27. The hearing was recessed at that point and was to be rescheduled at a later
22 date.

23 On August 10, 2000, counsel for the Division and Mr. Davis contacted the presiding
24 Administrative Law Judge stipulating that the proceeding should resume on August 31, 2000 at 9:00
25 a.m. , at the Commission’s offices. It was agreed that if any party to the proceeding did not attend the
26 hearing on August 31, that they could participate telephonically, provided that they provided their
27 names and telephone numbers with area codes to the Commission’s Hearing Division by August 28,
28 2000, so they could be telephonically connected to the August 31, 2000 hearing.

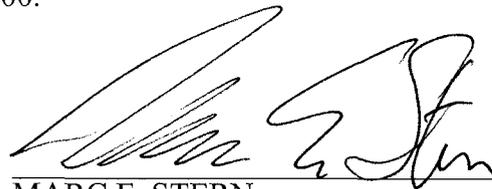
1 On August 31, 2000, the hearing concluded with closing briefs to be filed in 30 days.

2 On September 14, 2000, the Division filed a request to admit three post-hearing Exhibits,
3 S138a, S138b, and S138c, which are related to Respondents Smith and Bally, Exhibit R1, and other
4 uncontested evidence. The Division has obtained certified copies from the Clerk of the U.S. District
5 Court for the Northern District of Alabama of the following three case documents in United States of
6 America v. Randall Wayne Smith, Docket CR-00-S-0296-S: the court "Criminal Docket" in this case
7 as of September 7, 2000 (Exhibit S138a); the "Plea Agreement and Conditions" executed and filed
8 with the court on August 10, 2000 (Exhibit S138b); and the "Information" filed with the court by the
9 United States Attorney on August 10, 2000 (Exhibit S138c).

10 Accordingly, pursuant to A.A.C. R14-3-109(Q), Exhibits S138a, S138b, and S139c should be
11 admitted into evidence.

12 IT IS THEREFORE ORDERED that Exhibits S138a, S138b, and S138c be, and are hereby,
13 admitted into evidence.

14 DATED this 19th day of September, 2000.



MARC E. STERN
ADMINISTRATIVE LAW JUDGE

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19
20 Copies of the foregoing mailed/delivered
21 this 19th day of September, 2000 to:

22 Dale L. States
23 6724 North 43rd Avenue
24 Glendale, Arizona 85301
Attorney for Richard G. Davis

25 Ira J. Patterson
26 4330 North 30th Street
Phoenix, Arizona 85016

27 Joseph Michael Guess, Sr.
28 2911 E. Calavar Road
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1 James D. Sheriffs
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2 Scottsdale, Arizona 85254

3 Progressive Financial Management
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5 RGD
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6 Phoenix, Arizona 85016

7 RGD Enterprises, Inc.
4330 North 30th Street
8 Phoenix, Arizona 85016

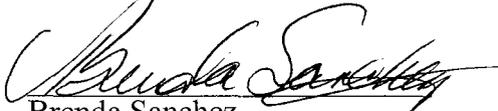
9 Randall Wayne Smith, Jr.
1905 Springlake Court
10 Birmingham, Alabama 35215

11 Bally Overseas Trading Inc.
1905 Springlake Court
12 Birmingham, Alabama 35215

13 Robert A. Zumoff
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16 W. Mark Sendrow, Director
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18 Phoenix, Arizona 85007

19 ARIZONA REPORTING SERVICE, INC.
2627 N. Third Street, Suite Three
20 Phoenix, Arizona 85004-1104

21 By: 
22 Brenda Sanchez
Secretary to Marc E. Stern
23
24
25
26
27
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