

OPEN MEETING ITEM

12/17/02

ORIGINAL

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WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER



0000117133

ARIZONA CORPORATION COMMISSION

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MEMORANDUM

TO: Chairman William A. Mundell
Commissioner Jim Irvin
Commissioner Marc Spitzer

DOCKETED

FROM: Mark Sendrow
Director of Securities

DEC 03 2002

DOCKETED BY [Signature]

DATE: December 3, 2002

RE: S-03502A-02-0000; Turn Two Trading Club, Dennis Little and Deborah Sorensen Little

CC: Brian C. McNeil, Executive Secretary

AZ CORP COMMISSION
DOCUMENT CONTROL

2002 DEC -3 A 11: 08

RECEIVED

The Division filed a Temporary Cease and Desist Order ("Temporary Order") on August 23, 2002. As part of the Temporary Order the Respondents were unable to accept, deposit, withdraw or in any other way touch investor funds that were held in three different bank accounts. The funds in those accounts were recently transferred to the Division to be deposited in an interest bearing trust account maintained by the Office of the Arizona Attorney General. The total amount held in the account is \$1,603,624.33.

In light of the amount of funds in the trust account and the concern of the investors about their funds, the Division worked with the Respondents in an attempt to return the investors' principal investments prior to the factual determination on the issues raised in the Temporary Order. The attached Stipulation To Release Funds To Investors Of Turn Two Trading Club, Dennis Wayne Little And Deborah L. Sorensen Little and Order For Same ("Stipulation and Order") is the result of this negotiation.

The Stipulation and Order will allow the investors to receive their principal investment back as soon as possible. Any funds that remain in the account will be held until the factual issues have been addressed and an Order issued by this Commission. The Division is currently in hearing on the factual issues raised in the Temporary Order.

The Division and Respondents believe that this Stipulation and Order is in the best interest of the investors.

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 WILLIAM A. MUNDELL
3 Chairman
4 JIM IRVIN
5 Commissioner
6 MARC SPITZER
7 Commissioner

8 In the matter of)

9 Turn Two Trading Club)
10 1023 N. Sparrow Drive)
11 Higley, AZ 85236)

12 Dennis Wayne Little)
13 1023 N. Sparrow Drive)
14 Higley, AZ 85236)

15 Deborah L. Sorensen Little)
16 1023 N. Sparrow Drive)
17 Higley, AZ 85236)

18 Respondents.)
19)
20)
21)
22)
23)
24)
25)
26)

Docket No. S-03502A-02-0000

DECISION NO. _____

**STIPULATION TO RELEASE FUNDS
TO INVESTORS OF TURN TWO
TRADING CLUB, DENNIS WAYNE
LITTLE AND DEBORAH L.
SORENSEN LITTLE AND ORDER
FOR SAME**

27 **I.**
28 **STIPULATION**

29 1. The Securities Division ("Division") of the Arizona Corporation Commission
30 ("Commission") issued a Temporary Cease and Desist Order ("Temporary Order") against TURN
31 TWO TRADING CLUB, DENNIS WAYNE LITTLE and DEBORAH L. SORENSEN LITTLE
32 ("RESPONDENTS") on August 23, 2002.

33 2. RESPONDENTS raised at least \$1,743,938.77 from investors. The Temporary Order
34 specifically prohibits the RESPONDENTS from accepting, depositing or disbursing any investor
35 funds until there is a final resolution of the matter.

36 3. At the time of the Temporary Order RESPONDENTS held investor funds in at least
37 three different financial institutions. The three known financial institutions were (a) Datek Online

1 Financial Services L.L.C. (now known as Ameritrade) ("Datek"), (b) Bank of America, and (c)
2 Compass Bank.

3 4. Datek held \$1,481,543.77. Per authorization of counsel for RESPONDENTS, Datek
4 released the \$1,481,543.77 to the Division in the form a certified check that was deposited in an
5 interest bearing account through the State of Arizona Attorney General's Office (the "Interest Bearing
6 Account"). Bank of America held \$114,849.52. Per authorization of counsel for RESPONDENTS,
7 Bank of America released the \$114,849.52 to the Division in the form a certified check that was
8 deposited Interest Bearing Account. After the Order, Compass Bank returned a certified check to the
9 RESPONDENTS in the amount of \$7,231.04. These funds were also placed in the Interest Bearing
10 Account. There is therefore at least a total of \$1,603,624.33 available to distribute as restitution to
11 investors. In light of the funds described in this paragraph and the express desire of investors to
12 receive the return of their invested funds as soon as practical, the Division and RESPONDENTS
13 hereby stipulate as follows:

- 14 A. Funds held in the Interest Bearing Account shall be disbursed to the investors
15 listed in the ledger, attached hereto as Exhibit A, as soon as practical after
16 ordered by the Commission.
- 17 B. That any final order of restitution entered by the Commission in this matter will
18 reflect as an offset to the funds returned to the investors pursuant to the order of
19 the Commission arising as a result of this Stipulation.
- 20 C. That this pending Order only addresses the return of funds to the investors. The
21 Commission retains jurisdiction on the outstanding issues contained in
22 Temporary Order.
- 23
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D. That the Commission be requested to enter an order consistent with this Stipulation and requiring funds held in the Interest Bearing Account be disbursed to the investors listed on the ledger attached as Exhibit A as soon as practical after ordered by the Commission.

RESPECTFULLY SUBMITTED this _____ of _____, 2002.

Mark Sendrow
Director of Securities

Dennis Wayne Little
for Turn Two Trading Club

Dennis Wayne Little

Deborah L. Sorensen Little

Guy David Knoller
Attorney for RESPONDENTS

**II.
ORDER**

The Arizona Corporation Commission ("Commission") having reviewed the Stipulation entered into between Turn Two Trading Club, Dennis Wayne Little And Deborah L. Sorensen Little (collectively "RESPONDENTS") and the Securities Division of the Commission ("Division") and finding the Stipulation to be in the public interest, the Commission finds that the following Order is appropriate and in the public interest:

IT IS ORDERED, pursuant to A.R.S. § 44-2032 and A.R.S. § 44-3292, that funds held in the Interest Bearing Account shall be disbursed to the investors listed in the ledger attached to this

1 Stipulation and Order as Exhibit A as soon as practical. Funds shall be disbursed on a pro rata
2 basis to investors.

3 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 and A.R.S. § 44-3292, that the
4 investors on Exhibit A shall receive the principal amount invested as reflected on Exhibit A. If
5 any funds remain in the Interest Bearing Account after a complete distribution to the investors on
6 Exhibit A, the remaining funds will be held in the Interest Bearing Account pending further order
7 of the Commission.

8 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 and A.R.S. § 44-3292, that any
9 final order of restitution made by the Commission after completion of the factual case will reflect
10 as a offset the amount of funds returned to the investors pursuant to this order.

11 IT IS FURTHER ORDERED that this order shall become effective immediately.

12 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

13
14
15 CHAIRMAN

COMMISSIONER

COMMISSIONER

16 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
17 Executive Secretary of the Arizona Corporation
18 Commission, have hereunto set my hand and caused the
19 official seal of the Commission to be affixed at the
20 Capitol, in the City of Phoenix, this _____ day of
21 _____, 2002.

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BRIAN C. McNEIL
Executive Secretary

DISSENT

This document is available in alternative formats by contacting Shelly M. Hood, Executive Assistant to the Executive Secretary, voice phone number 602-542-3931, E-mail shood@cc.state.az.us.

TURN TWO TRADING CLUB - DENNIS LITTLE
 SCHEDULE OF INVESTOR FUNDS

EXHIBIT A

CLUB MEMBERSHIP NUMBER	TOTAL INVESTED LESS TRANSFERS	MEMBER WITHDRAWALS	NET INVESTMENT
2	\$ 10,300.00		\$ 10,300.00
4	2,550.00	\$ (2,300.00)	250.00
5	20,930.00		20,930.00
6	38,300.00	(11,000.00)	27,300.00
9	2,000.00		2,000.00
10	7,284.84	(6,500.00)	784.84
11	17,000.00		17,000.00
13	14,900.00	(1,500.00)	13,400.00
14	724.00		724.00
15	30,300.00		30,300.00
16	850.00		850.00
17	2,200.00	(1,168.31)	1,031.69
18	100.00		100.00
19	9,400.00	(7,800.00)	1,600.00
20	12,900.00	(160.38)	12,739.62
21	4,400.00	(1,500.00)	2,900.00
22	1,020.00		1,020.00
23	200.00		200.00
24	15,000.00		15,000.00
25	18,167.00	(5,000.00)	13,167.00
27	600.00		600.00
28	40,750.00	(31,000.00)	9,750.00
29	5,359.00	(3,000.00)	2,359.00
30	12,000.00		12,000.00
31	400.00		400.00
32	13,400.00	(1,000.00)	12,400.00
33	1,100.00		1,100.00
34	4,500.00		4,500.00
35	2,000.00	(700.00)	1,300.00
36	10,500.00		10,500.00
37	500.00		500.00
38	200.00		200.00
39	13,000.00		13,000.00
40	2,000.00		2,000.00
41	35,000.00	(4,300.00)	30,700.00
42	9,615.00	(5,074.43)	4,540.57
43	100.00		100.00
44	10,000.00		10,000.00
45	12,600.00		12,600.00
46	1,000.00		1,000.00
47	1,000.00		1,000.00
48	4,920.00		4,920.00
49	11,000.00		11,000.00
50	5,500.00		5,500.00
51	200.00		200.00
52	200.00		200.00
53	10,100.00		10,100.00
54	10,300.00		10,300.00
55	2,500.00		2,500.00
56	10,000.00		10,000.00
57	200.00		200.00
59	1,000.00		1,000.00
60	100.00		100.00
61	2,015.00		2,015.00
62	1,199.99		1,199.99
64	10,000.00		10,000.00
65	2,140.00		2,140.00
66	200.00		200.00
67	10,000.00		10,000.00
68	25,000.00	(6,000.00)	19,000.00
69	40,000.00		40,000.00
70	5,000.00		5,000.00
71	1,500.00		1,500.00
72	100.00		100.00
73	1,000.00		1,000.00
74	45,000.00		45,000.00

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TURN TWO TRADING CLUB - DENNIS LITTLE
SCHEDULE OF INVESTOR FUNDS

EXHIBIT A

CLUB MEMBERSHIP NUMBER	TOTAL INVESTED LESS TRANSFERS	MEMBER WITHDRAWALS	NET INVESTMENT
75	25,000.00		25,000.00
76	3,500.00		3,500.00
78	1,000.00		1,000.00
80	3,100.00	(478.56)	2,621.44
81	1,000.00		1,000.00
82	2,200.00		2,200.00
83	190.00		190.00
84	8,430.00		8,430.00
85	1,500.00		1,500.00
86	300.00		300.00
87	21,400.00	(2,500.00)	18,900.00
88	15,000.00		15,000.00
89	2,500.00		2,500.00
90	1,000.00		1,000.00
91	1,000.00		1,000.00
92	1,000.00		1,000.00
93	1,000.00		1,000.00
94	300.00		300.00
95	9,000.00		9,000.00
96	1,600.00		1,600.00
97	1,000.00		1,000.00
98	1,000.00		1,000.00
100	1,000.00	(455.00)	545.00
101	5,000.00		5,000.00
102	40,000.00		40,000.00
103	1,000.00		1,000.00
104	100.00		100.00
105	16,910.66	(300.00)	16,610.66
106	350.00		350.00
107	8,000.00		8,000.00
108	7,000.00		7,000.00
109	5,000.00	(1,448.36)	3,551.64
110	5,000.00		5,000.00
111	100.00		100.00
112	1,800.00		1,800.00
113	11,000.00		11,000.00
113	11,000.00		11,000.00
114	25,000.00		25,000.00
115	200.00		200.00
116	1,000.00		1,000.00
117	1,200.00		1,200.00
118	1,675.00		1,675.00
119	1,700.00		1,700.00
120	2,400.00	(2,229.98)	170.02
122	200.00		200.00
123	1,000.00	(289.68)	710.32
124	1,000.00		1,000.00
125	314.00		314.00
126	600.00		600.00
127	450.00		450.00
128	100.00		100.00
129	250.00		250.00
130	500.00		500.00
131	100.00		100.00
132	300.00		300.00
133	100.00		100.00
134	100.00		100.00
135	100.00		100.00
136	100.00		100.00
137	100.00		100.00
138	100.00		100.00
139	100.00		100.00
140	300.00		300.00
141	6,000.00		6,000.00
142	5,500.00		5,500.00
143	100.00		100.00

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TURN TWO TRADING CLUB - DENNIS LITTLE
 SCHEDULE OF INVESTOR FUNDS

EXHIBIT A

CLUB MEMBERSHIP NUMBER	TOTAL INVESTED LESS TRANSFERS	MEMBER WITHDRAWALS	NET INVESTMENT
144	100.00		100.00
145	1,500.00		1,500.00
146	100.00		100.00
147	100.00		100.00
148	200.00		200.00
149	400.00		400.00
150	40,100.00		40,100.00
151	10,000.00		10,000.00
152	100.00		100.00
153	2,000.00		2,000.00
154	38,609.56		38,609.56
155	2,100.00		2,100.00
156	100.00		100.00
157	1,100.00		1,100.00
158	100.00		100.00
159	85,000.00		85,000.00
160	100.00		100.00
161	100.00		100.00
162	100.00		100.00
164	100.00		100.00
166	100.00		100.00
167	435.00		435.00
168	1,000.00		1,000.00
169	200.00		200.00
170	350.00		350.00
171	414.00		414.00
172	100.00		100.00
174	12,000.00		12,000.00
175	200.00		200.00
176	100.00		100.00
177	100.00		100.00
179	1,000.00		1,000.00
180	100.00		100.00
181	1,280.00		1,280.00
182	87,500.00		87,500.00
183	200.00		200.00
184	100.00		100.00
185	1,214.00		1,214.00
186	400.00		400.00
187	200.00		200.00
188	2,500.00		2,500.00
189	100.00		100.00
191	100.00		100.00
192	100.00		100.00
193	140.00		140.00
194	100.00		100.00
195	400.00		400.00
196	100.00		100.00
197	42,600.00		42,600.00
198	100.00		100.00
199	100.00		100.00
200	100.00		100.00
201	2,600.00		2,600.00
202	2,600.00		2,600.00
203	2,600.00		2,600.00
204	5,100.00		5,100.00
205	9,300.00		9,300.00
206	5,100.00		5,100.00
207	1,000.00		1,000.00
208	100.00		100.00
209	200.00		200.00
210	200.00		200.00
211	1,000.00		1,000.00
212	200.00		200.00
213	200.00		200.00
214	100.00		100.00
215	6,000.00		6,000.00

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JURN TWO TRADING CLUB - DENNIS LITTLE
 SCHEDULE OF INVESTOR FUNDS

EXHIBIT A

CLUB MEMBERSHIP NUMBER	TOTAL INVESTED LESS TRANSFERS	MEMBER WITHDRAWALS	NET INVESTMENT
216	110.00		110.00
217	700.00		700.00
218	5,500.00		5,500.00
219	8,000.00		8,000.00
220	1,000.00		1,000.00
221	2,000.00		2,000.00
222	100.00		100.00
223	5,500.00		5,500.00
224	100.00		100.00
225	200.00		200.00
226	16,000.00		16,000.00
227	100.00		100.00
228	100.00		100.00
229	6,000.00		6,000.00
230	8,000.00		8,000.00
231	100.00		100.00
232	200.00		200.00
233	100.00		100.00
234	1,200.00		1,200.00
235	60,000.00		60,000.00
236	100.00		100.00
237	6,000.00		6,000.00
238	1,000.00		1,000.00
239	100.00		100.00
240	100.00		100.00
241	100.00		100.00
242	100.00		100.00
243	400.00		400.00
244	5,000.00		5,000.00
245	25,000.00		25,000.00
246	100.00		100.00
247	500.00		500.00
248	200.00		200.00
249	200.00		200.00
250	100.00		100.00
251	500.00		500.00
253	100.00		100.00
254	100.00		100.00
255	2,600.00		2,600.00
256	-500.00		500.00
257	100.00		100.00
258	100.00		100.00
259	15,250.00		15,250.00
260	400.00		400.00
261	100.00		100.00
262	1,000.00		1,000.00
263	500.00		500.00
264	4,600.00	(500.00)	4,100.00
265	300.00		300.00
266	7,726.30		7,726.30
267	100.00		100.00
268	100.00		100.00
269	1,000.00		1,000.00
270	500.00		500.00
271	100.00		100.00
272	100.00		100.00
273	500.00		500.00
274	100.00		100.00
275	100.00		100.00
276	100.00		100.00
277	100.00		100.00
278	4,423.42	(271.86)	4,151.56
279	2,000.00		2,000.00
280	100.00		100.00
281	100.00		100.00
282	26,000.00		26,000.00
283	5,000.00		5,000.00

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TURN TWO TRADING CLUB - DENNIS LITTLE
 SCHEDULE OF INVESTOR FUNDS

EXHIBIT A

CLUB MEMBERSHIP NUMBER	TOTAL INVESTED LESS TRANSFERS	MEMBER WITHDRAWALS	NET INVESTMENT
296	100.00		100.00
302	530.00		530.00
303	450.00		450.00
304	3,400.00		3,400.00
305	2,950.00		2,950.00
308	100.00		100.00
309	100.00		100.00
310	400.00		400.00
311	100.00		100.00
312	100.00		100.00
313	200.00		200.00
314	100.00		100.00
315	100.00		100.00
316	300.00		300.00
317	100.00		100.00
318	100.00		100.00
319	20,100.00	(20,000.00)	100.00
320	100.00		100.00
321	500.00		500.00
322	200.00		200.00
323	100.00		100.00
324	100.00		100.00
325	10,000.00		10,000.00
326	150.00		150.00
327	600.00		600.00
328	1,100.00		1,100.00
329	350.00		350.00
330	3,300.00		3,300.00
331	100.00		100.00
332	16,000.00		16,000.00
333	100.00		100.00
334	100.00		100.00
335	100.00		100.00
336	3,100.00		3,100.00
337	30,600.00		30,600.00
338	100.00		100.00
339	100.00		100.00
340	500.00		500.00
341	500.00		500.00
342	-500.00		500.00
343	250.00		250.00
344	100.00		100.00
345	9,373.00		9,373.00
346	100.00		100.00
347	3,500.00		3,500.00
348	2,500.00		2,500.00
349	200.00		200.00
350	100.00		100.00
351	1,300.00		1,300.00
352	100.00		100.00
353	10,000.00		10,000.00
354	100.00		100.00
355	100.00		100.00
356	100.00		100.00
357	100.00		100.00
358	10,300.00		10,300.00
359	200.00		200.00
360	300.00		300.00
361	5,000.00		5,000.00
362	100.00		100.00
363	200.00		200.00
364	100.00		100.00
365	5,100.00		5,100.00
366	100.00		100.00
367	100.00		100.00
368	100.00		100.00

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TURN TWO TRADING CLUB - DENNIS LITTLE
 SCHEDULE OF INVESTOR FUNDS

EXHIBIT A

CLUB MEMBERSHIP NUMBER	TOTAL INVESTED LESS TRANSFERS	MEMBER WITHDRAWALS	NET INVESTMENT
369	100.00		100.00
370	100.00		100.00
371	100.00		100.00
372	200.00		200.00
373	200.00		200.00
374	100.00		100.00
375	600.00		600.00
376	6,360.00		6,360.00
377	9,700.00		9,700.00
378	300.00		300.00
380	100.00		100.00
381	100.00		100.00
382	1,100.00		1,100.00
383	100.00		100.00
384	100.00		100.00
385	100.00		100.00
386	100.00		100.00
387	100.00		100.00
388	100.00		100.00
389	4,100.00		4,100.00
390	1,000.00		1,000.00
391	250.00		250.00
392	500.00		500.00
393	150.00		150.00
394	1,000.00		1,000.00
395	1,000.00		1,000.00
396	100.00		100.00
397	1,000.00		1,000.00
398	10,100.00		10,100.00
399	100.00		100.00
400	300.00		300.00
401	100.00		100.00
402	100.00		100.00
403	100.00		100.00
404	100.00		100.00
405	2,000.00		2,000.00
406	500.00		500.00
407	9,000.00		9,000.00
408	100.00		100.00
409	2,700.00		2,700.00
410	100.00		100.00
411	100.00		100.00
412	30,400.00		30,400.00
413	27,200.00		27,200.00
414	200.00		200.00
415	200.00		200.00
416	200.00		200.00
417	200.00		200.00
418	100.00		100.00
419	248.00		248.00
420	181.00		181.00
421	200.00		200.00
422	100.00		100.00
	\$ 1,709,688.77	\$ (116,476.56)	\$ 1,593,212.21

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Note: Club members who have withdrawn all or greater than their original investment are not included in the above list.