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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

2011 FEB 18 A 9:40

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

IN THE MATTER OF:

DOCKET NO. S-20716A-09-0574

MIKO D. WADY and JENNIFER L. SAVAGE
(f.k.a. JENNIFER L. WADY), formerly husband
and wife;

NATO ENTERPRISES, LLC, an Arizona limited
liability company;

MALIKA S. SMITH and KORY C. SMITH,
formerly wife and husband;

BOBBY G. GOODSON and PAMELA D.
GOODSON, husband and wife;

CAA GENERAL PARTNERSHIP, an
Arizona general partnership;

MARIO K. REED, a single man;

PHOENICIAN ENTERTAINMENT, L.L.C.,
an Arizona limited liability company;

THURSTON SMITH and SHAVONE
SMITH, husband and wife; and

B.Y.B. ENTERTAINMENT, L.L.C., an
Arizona limited liability company;

RESPONDENTS.

Arizona Corporation Commission

DOCKETED

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EIGHTH
PROCEDURAL ORDER
(Vacates Hearing)

BY THE COMMISSION:

On December 23, 2009, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Miko D. Wady and Jennifer L. Savage (f.k.a. Jennifer L. Wady), formerly husband and wife; NATO Enterprises, LLC, an Arizona limited liability company ("NATO"); Malika S. Smith and Kory C. Smith, formerly wife and husband; Bobby G. Goodson and Pamela D. Goodson, husband and wife; CAA General Partnership, an Arizona general partnership ("CAA"); Mario K. Reed, a single man;

1 Phoenician Entertainment, L.L.C., an Arizona limited liability company ("Phoenician"); Thurston
2 Smith and Shavone Smith, husband and wife; and B.Y.B. Entertainment, L.L.C., an Arizona limited
3 liability company ("B.Y.B.") (collectively "Respondents") in which the Division alleged multiple
4 violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in
5 the form of investment contracts.

6 The Respondents were duly served with copies of the Notice.

7 On January 7, 2010, a request for hearing was filed by Respondent Malika S. Smith.

8 On January 14, 2010, a request for hearing was filed by Respondent Mario Reed.

9 On January 15, 2010, a request for hearing was filed by Respondent Bobby Goodson.

10 On February 1, 2010, by Procedural Order, a pre-hearing conference was scheduled on
11 February 25, 2010.

12 On February 9, 2010, counsel for the Division filed a Motion to Continue the pre-hearing
13 conference due to a scheduling conflict with another matter which was scheduled earlier.

14 On February 12, 2010, by Procedural Order, the proceeding was continued to March 11, 2010.

15 On March 11, 2010, at the pre-hearing conference, the Division appeared with counsel and
16 Ms. Smith appeared on her own behalf. None of the other Respondents who requested a hearing
17 appeared at the pre-hearing conference. Ms. Smith and several of the Respondents have retained an
18 attorney, but he has not yet entered an appearance. It was concluded that a status conference should
19 be scheduled in approximately 45 days. By Procedural Order, a status conference was scheduled on
20 April 29, 2010

21 On April 8, 2010, the Commission issued Decision No. 71600, a Default Order, against
22 Respondents Miko E. Wady, Jennifer L. Savage f/k/a Jennifer L. Wady, and NATO.

23 On April 29, 2010, at the status conference, the Division appeared with counsel. Neither
24 Respondents Smith, Goodson nor Reed appeared. The Division requested that a hearing be
25 scheduled.

26 On April 30, 2010, by Procedural Order, a hearing was scheduled on August 11 and 12, 2010,
27 and a date established for the exchange of Witness Lists and copies of Exhibits.

28 On July 8, 2010, the Division filed a Motion to Continue ("Motion") the hearing and

1 exchange of documentation to complete service on three Respondents who have not yet been served.

2 There were no objections to the Division's Motion.

3 On July 12, 2010, by Procedural Order, the hearing was continued from August 11, 2010, to
4 November 9, 2010, and the exchange of Witness Lists and copies of Exhibits was delayed.

5 On November 4, 2010, the Commission approved a Consent Order with respect to
6 Respondents Malika S. Smith and CAA.

7 On November 5, 2010, the Division filed a Motion to Continue the hearing scheduled for
8 November 9, 2010, because the Division had reached a settlement with Respondents Bobby G.
9 Goodson, Thurston Smith and B.Y.B. and that, as a result, a proposed Consent Order was submitted
10 and approved by the Commission at its Open Meeting on December 1, 2010. The Division further
11 stated that a hearing for the remaining Respondents, Mario Reed and Phoenician should be brief, if a
12 settlement is not reached, and requested the hearing be scheduled after December 1, 2010.

13 On November 10, 2010, by Procedural Order, the proceeding was continued to January 5,
14 2011.

15 On January 4, 2011, the Division filed a Motion to Continue the hearing scheduled for
16 January 5, 2011, because the Division had reached a settlement with the two remaining Respondents,
17 Mario Reed and Phoenician, and that a proposed Consent Order will be submitted for approval by the
18 Commission at its Open Meeting scheduled on February 17, 2011.

19 On January 5, 2011, by Procedural Order, the proceeding was continued to April 11, 2011.

20 On February 17, 2011, the Division filed a Motion to Vacate the hearing which stated that all
21 matters pending before the Commission in this case have been resolved.

22 Accordingly, the hearing should be vacated.

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1 IT IS THEREFORE ORDERED that the **hearing** scheduled to be held on **April 11, 2011**, is
2 **hereby vacated.**

3 DATED this 18TH day of February, 2011.

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6 
7 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

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9 Copies of the foregoing mailed/delivered
this 18TH day of February, 2011 to:

10 Mario Reed
2310 West Tanque Verde Drive
11 Chandler, AZ 85224-8305

12 Matt Neubert, Director
Securities Division
13 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
14 Phoenix, AZ 85007

15 ARIZONA REPORTING SERVICE, INC.
2200 North Central Avenue, Suite 502
16 Phoenix, AZ 85004

17
18 By: 
Debbi Person
19 Assistant to Marc E. Stern

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