

ORIGINAL

OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION CO

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ARIZONA CORP COMMISSION
DOCKET CONTROL

COMMISSIONERS

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

IN THE MATTER OF:

MORGAN FINANCIAL, L.L.C., an Arizona
limited liability company,

MORGAN FINANCIAL LENDERS, L.L.C.,
an Arizona limited liability company,

and

JIMMY HARTGRAVES, JR., and LAURIE
HARTGRAVES, husband and wife,

RESPONDENTS.

DOCKET NO. S-20719A-09-0583

Arizona Corporation Commission

DOCKETED

MAR 8 2012

DOCKETED BY

PROCEDURAL ORDER

BY THE COMMISSION:

On December 30, 2009, the Securities Division (“Division”) of the Arizona Corporation Commission (“Commission”) filed a Notice of Opportunity for Hearing (“Notice”) against Morgan Financial, L.L.C., an Arizona limited liability company, Morgan Financial Lenders, L.L.C., an Arizona limited liability company (“Morgan”) and Jimmy Hartgraves, Jr., and Laurie Hartgraves, 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 notes.

On May 16, 2011, the proceeding was convened at the offices of the Commission in Phoenix, Arizona. The Division and Respondents appeared with counsel. Following the presentation of evidence, the matter was taken under advisement pending submission of a recommendation in the form of an Opinion and Order to the Commission.

On February 28, 2012, a Recommended Opinion and Order was issued that tentatively set the matter for the Commission’s Open Meeting on March 15, 2012.

On March 7, 2012, Respondents filed a Motion for Additional Time for Filing Exceptions and

1 Request to Continue Matter Tentatively Scheduled on March 15, 2012 Open Meeting Date
2 (“Motion”). The Motion states that the Recommended Order was docketed on February 28, 2012,
3 but was mailed to counsel for Respondents with an incorrect zip code.¹ The Motion indicates that
4 Respondents’ counsel did not receive the Recommended Order in the mail, that Respondents’ counsel
5 first learned of the issuance of the Recommended Order on March 6, 2012, and therefore additional
6 time is needed to prepare and file Exceptions in preparation for consideration of the matter at a
7 Commission Open Meeting. The Motion states that counsel for the Division does not oppose the
8 extension requested by Respondents.

9 IT IS THEREFORE ORDERED that Respondents’ Motion for Additional Time for Filing
10 Exceptions is granted. **Respondents shall file Exceptions to the February 28, 2012,**
11 **Recommended Opinion and Order by no later than March 19, 2012.**

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

14 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
15 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
16 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
17 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
18 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
19 Administrative Law Judge or the Commission.

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

23 ...

24 ...

25 ...

26 ...

27 ¹ The origin of the incorrect zip code was the initial Notice of Appearance filed by Respondents’ counsel, which
28 contained the incorrect zip code at the top of the page (85003) but the correct zip code under the signature line (85004) of
the same document. (See, Notice of Appearance, filed September 28, 2010).

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IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

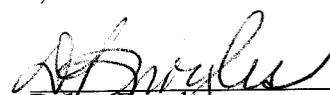
DATED this 8th day of March, 2012.


MARC E. STERN
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered this 8th day of March, 2012 to:

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By: 
Debra Broyles
Secretary to Marc E. Stern