

ORIGINAL

OPEN MEETING ITEM

8/9/12



0000138197

**COMMISSIONERS**  
GARY PIERCE, Chairman  
BOB STUMP  
SANDRA D. KENNEDY  
PAUL NEWMAN  
BRENDA BURNS



SECURITIES DIVISION  
1300 West Washington, Third Floor  
Phoenix, AZ 85007  
TELEPHONE: (602) 542-4242  
FAX: (602) 388-1335  
E-MAIL: securitiesdiv@azcc.gov

ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

ARIZONA CORPORATION COMMISSION

MEMORANDUM

**TO:** Gary Pierce, Chairman  
Bob Stump  
Sandra D. Kennedy  
Paul Newman  
Brenda Burns

Arizona Corporation Commission  
**DOCKETED**  
JUL 27 2012

RECEIVED  
2012 JUL 21 A 9:32  
AZ CORP COMMISSION  
DOCKET CONTROL

**FROM:** Matt Neubert *mn*  
Director of Securities

DOCKETED BY *EM*

**DATE:** July 25, 2012

**RE:** Proposed Order to Cease and Desist, Order For Restitution, Order For Administrative Penalties and Consent to Same By: Roger D. Woods, Jocelyn Dela Cruz Clemente (Aka Joy Clemente, Jocelyn Woods, And Joy Woods), and Phoenix Funding, LLC; S-20825A-11-0454

**CC:** Ernest G. Johnson, Executive Director

Please find attached a Proposed Order to Cease and Desist, Order For Restitution, Order For Administrative Penalties and Consent to Same By: Roger D. Woods, Jocelyn Dela Cruz Clemente (Aka Joy Clemente, Jocelyn Woods, And Joy Woods), and Phoenix Funding, LLC ("Order"). The Order requires Respondents to cease and desist from violating the Securities Act, pay restitution to investors in the principal amount of \$48,905, plus interest from the date of the Order, and pay an administrative penalty in the amount of \$10,000.

From approximately October 2010 to January 2012, Respondents represented to offerees and investors within and from Arizona that Phoenix Funding is a "consulting" company, and that Respondents provide individuals and businesses with: (a) credit building and/or credit score repair enhancement; (b) hard money lending; (c) debt reduction; (d) real estate investments; (e) aged shelf corporations; and (f) other financial management services and products.

The Order finds that Respondents violated A.R.S. §§44-1841 and 44-1842 by selling unregistered securities in the form of investment contracts while being unlicensed. In addition, the Order finds that Respondents violated A.R.S. §44-1991 because there were untrue statements or misleading omissions of material fact. The Division believes that the Order is appropriate to protect the public welfare.

Originator: Wendy Coy

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

In the matter of:  
ROGER D. WOODS, an individual,  
JOCELYN DELA CRUZ CLEMENTE  
(AKA JOY CLEMENTE, JOCELYN  
WOODS, AND JOY WOODS), an  
individual,  
PHOENIX FUNDING, LLC, an Arizona  
limited liability company,  
Respondents.

DOCKET NO. S-20825A-11-0454  
DECISION NO. \_\_\_\_\_

**ORDER TO CEASE AND DESIST, ORDER  
FOR RESTITUTION, ORDER FOR  
ADMINISTRATIVE PENALTIES AND  
CONSENT TO SAME  
BY: ROGER D. WOODS, JOCELYN DELA  
CRUZ CLEMENTE (AKA JOY CLEMENTE,  
JOCELYN WOODS, AND JOY WOODS), and  
PHOENIX FUNDING, LLC**

Respondents ROGER D. WOODS, JOCELYN DELA CRUZ CLEMENTE (AKA JOY  
CLEMENTE, JOCELYN WOODS, AND JOY WOODS), and PHOENIX FUNDING, LLC  
("Respondents") elect to permanently waive any right to a hearing and appeal under Articles 11 and  
12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this  
Order To Cease And Desist, Order For Restitution, Order For Administrative Penalties And  
Consent To Same ("Order"). Respondents admit the jurisdiction of the Arizona Corporation  
Commission ("Commission"); neither admit nor deny the Findings of Fact and Conclusions of Law  
contained in this Order; and consent to the entry of this Order by the Commission.

...  
...  
...

I.

**FINDINGS OF FACT**

1  
2  
3 1. At all relevant times, Respondent ROGER D. WOODS ("WOODS") has been  
4 offering and selling the credit building and repair program investments discussed below within or  
5 from Arizona on behalf of Respondent PHOENIX FUNDING, LLC ("PHOENIX FUNDING") as  
6 its manager, "President," owner and investment salesman.

7 2. At all relevant times, WOODS has not been registered by the Commission as a  
8 securities salesman or dealer.

9 3. PHOENIX FUNDING was organized by WOODS as a manager-managed Arizona  
10 limited liability company on or about March 10, 2009. At all relevant times, PHOENIX FUNDING  
11 has been issuing, offering and selling the credit building and repair program investments discussed  
12 below within or from Arizona.

13 4. PHOENIX FUNDING has not been registered by the Commission as a securities  
14 dealer.

15 5. According to the records of the Corporations Division of the Commission,  
16 Respondent JOCELYN DELA CRUZ CLEMENTE (AKA JOY CLEMENTE, JOCELYN  
17 WOODS AND JOY WOODS) ("CLEMENTE") has been a manager of Respondent PHOENIX  
18 FUNDING since on or about March 10, 2009, to January 2012.

19 6. Respondent CLEMENTE has been at all relevant times the spouse of Respondent  
20 WOODS. CLEMENTE is also joined in this action under A.R.S. § 44-2031(C) for purposes of  
21 determining the liability of the marital community.

22 7. At all relevant times, WOODS has been acting for his own benefit and for the benefit  
23 or in furtherance of the marital community.

24 8. At all times relevant, CLEMENTE has been acting for her own benefit and for the  
25 benefit of the marital community.  
26

1           9.     WOODS, CLEMENTE, and PHOENIX FUNDING may be referred to as  
2 “Respondent(s).”

3           A.     Respondents’ Credit Building, Repair, and Financial Services Business

4           11.    From approximately October 2010 to January 2012, Respondents have been  
5 representing to offerees and investors within and from Arizona that PHOENIX FUNDING is a  
6 “consulting” company, and that Respondents provide individuals and businesses with: (a) credit  
7 building and/or credit score repair enhancement; (b) hard money lending; (c) debt reduction; (d)  
8 real estate investments; (e) aged shelf corporations; and (f) other financial management services  
9 and products (the “Business(es)”).

10          12.    From approximately November 2011 to January 2012, the “Home” page of the  
11 PHOENIX FUNDING website at [www.phxfundingus.com](http://www.phxfundingus.com) (“Website”) has further stated that  
12 PHOENIX FUNDING’s “Mission” is to:

13                 Assist individuals, business owners, investors and organizations in raising capital by  
14                 generating business and personal credit for start-ups and expansion. We offer an  
15                 integrated suite of marketing, legal, consulting, corporate and personal credit  
16                 services and provide investing opportunities in real estate, [a] credit repair program  
17                 and lucrative businesses.

18          13.    From approximately October 2010 to January 2012, WOODS and PHOENIX  
19 FUNDING have been publically offering and selling investments to the general public to raise a  
20 “pool” of capital to fund Respondents’ Business operations (the “Investment(s)”).

21          14.    From at least November 2011 to January 2012, the “Products” page of the Website  
22 has described the Investment opportunities (the “Prospectus Page”). Regarding projected  
23 Investment profits, the Prospectus Page prominently displays the phrase **“Raise Your Net Worth.”**  
24 This phrase is similarly included at the top of all of the other pages of Respondents’ Website.  
25 (Emphasis in originals)

26          15.    In addition to the Prospectus Page, the Website includes a page titled “More...”  
which when clicked, displays two additional pages titled “Opportunities” and “Application Form.”

1           16.    The Opportunities and Application Form pages include forms that prospective  
2 Arizona investors and/or salesman can complete to obtain additional information regarding the  
3 Investments.

4           17.    With respect to salesmen, the Opportunities page of the Website includes color  
5 photos of gold coins and states that PHOENIX FUNDING offers “great opportunities for you and  
6 affiliates by partnering with us. We pay great commissions and referral fees for people that you  
7 refer to us with excellent credit scores and that we can qualify to get funded.”

8           **B.    The Investments**

9           18.    From at least November 2011 to January 2012, the Prospectus Page has stated that  
10 PHOENIX FUNDING is issuing, offering and selling the following Investments titled:

- 11           a.    **“RAISING CAPITAL AND INVESTING IN CREDIT REPAIR PROGRAM”**  
12                (the “Credit Repair Program” Investments);  
13           b.    **“TRADING PLATFORMS”** (the “Trading” Investments);  
14           c.    **“INVESTMENTS IN REAL ESTATE”** (the “Real Estate” Investments);  
15           d.    **“OIL AND GAS”** (the “Oil & Gas” Investments);  
16           e.    **“GOLD MINE”** (the “Gold Mine” Investments);  
17           f.    **“FILMS”** (the “Film” Investments); and  
18           g.    **“Funding businesses”** (the “Loan” Investments)

19 (Emphasis in original). The Credit Repair Program Investments are discussed in detail further  
20 below.

21           19.    From at least November 2011 to January 2012, the Prospectus Page has stated that  
22 the Trading Investments can be purchased in principal amounts of at least \$10,000, and that the  
23 “ROI” or return on the Investments range from 34% to 150% per month.

24           20.    From at least November 2011 to January 2012, the Prospectus Page has stated that  
25 there are two types of Real Estate Investments being offered including those relating to: (a) “Non-  
26 Performing Notes” that can be purchased for amounts ranging from \$200,000 with the profit, or

1 return on such principal Investments being capped at \$10,000,000; and (b) "REO Bulk Properties"  
2 or real estate or bank owned properties ranging in price from \$5,000 to \$35,000,000.

3 21. From at least November 2011 to January 2012, the Prospectus Page has stated that  
4 the Oil & Gas Investments are comprised of "Shares/Ownership" in oil and gas wells, can be  
5 purchased for principal amounts ranging in price from \$2,000,000 to \$15,000,000, and that such  
6 Investments provide investors with profits on the principal Investment amounts of 1,000% per  
7 year.

8 22. From at least November 2011 to January 2012, the Prospectus Page has stated that  
9 the Gold Mine Investments are comprised of "Shares/Ownership" in gold mines, can be purchased  
10 for amounts ranging in price from \$60,000 to \$30,000,000, and that such Investments provide  
11 investors with returns on the principal Investment amounts of up to \$200,000,000.

12 23. In November 2011, the Prospectus Page of the Website stated that: (a) the Film  
13 Investments cost approximately \$1,000,000 each; (b) the proceeds of the Film Investments would  
14 be used to fund an "Animated Film Project" titled "JONAH;" and (c) that such Investments would  
15 provide investors with returns on their principal Investments of approximately 200%.

16 24. From at least November 2011 to January 2012, the Prospectus Page of the Website  
17 has stated that principal Loan Investment funds would be used to make loans to persons or entities  
18 involved in medical research, transportation, technology, retail and wholesale, import and export,  
19 advertising and marketing, files and video games and green projects including "Solar Energy."

20 **C. The Credit Repair Program Investments**

21 25. From at least November 2011 to January 2012, the Prospectus Page of the Website  
22 has stated that there are two types of Credit Repair Program Investments available for purchase,  
23 depending on whether the investor has an "excellent credit score" or a "lesser credit" score.

24 26. From at least November 2011 to January 2012, the Prospectus Page has stated that  
25 those with excellent credit scores can purchase Credit Repair Program Investments for  
26

1 approximately \$100,000 each, while investors with lesser credit scores can purchase Credit Repair  
2 Program Investments for principal amounts ranging from \$10,000 to \$200,000.

3 27. From at least November 2011 to January 2012, the Prospectus Page has further  
4 stated that those investors with lesser credit scores can receive a return on such principal  
5 Investments of approximately 15% within six months.

6 28. From at least November 2011 to January 2012, the Website has also included a  
7 "Protected Program" page that describes in detail how Respondents manage Credit Repair Program  
8 Investment funds on behalf of investors to repair the credit of third parties:

9 **Investing today is safer** and more available than ever.

10 BUT nobody has any money AND those that do have it, they want to keep it safe.  
11 We take **no risk**. We have a **protected** [credit repair Investment] program.

12 Did you know that your excellent credit can be the seed that can jump start \$1M in 5  
13 months?

14 We are looking to fund people who have excellent [FICO] credit scores of 720 and  
15 above and get up to \$100K funding without upfront fees. People who do not need  
16 credit repair will qualify for this program. This is no cost to us or to them.

17 **This is how the process goes.**

18 When a person that has an excellent credit score qualifies and gets funded within 21  
19 days, we invest the money to repair the credit of 6 other people. After these 6  
20 people get their credit repaired within a period of time, they go into a funding  
21 process totaling up to \$600K. The first \$100K [of the newly raised \$600,000] pays  
22 back the person who invested into repairing these 6 people's credit. 2<sup>nd</sup> round of  
23 funding for these 6 people occurs in the 4<sup>th</sup> month for another \$600K added to the  
24 remaining balance of the 1<sup>st</sup> round of funding in the amount of \$500K (of which  
25 \$100K has been paid back to the credit investor). Now we have a total of over \$1M  
26 in the **investment pool** for the 7 people.

When we repair people's credit, we find those who need small amounts of money in  
their debt to income ratio (at least under 10K) or either we will build their credit  
status to get them fundable. Once credit is repaired, they become qualified for up to  
\$100K in personal or business credit within 60 days. We can go up to 2 rounds of  
funding within 5 months. We can get up to \$200K in total funding per person  
combining business and personal credit.

For example, after going through credit repair, a married couple has a potential of  
\$400K available to help others repair their credit and use a portion of these funds to  
continue the process of repairing credit, buy real estate and raise capital for lucrative  
businesses.

1 This program is safe, conservative and highly leveraged to protect our partners [i.e.,  
2 investors]. We can pay back the money that was utilized in [the] credit repair  
3 process within 90 days. (Emphasis added and in original)

4 29. With respect to Respondents' management of Credit Repair Program Investment  
5 funds, the "Products and Services" page of the Website has further stated from at least November  
6 2011 to January 2012 as follows:

7 **Corporate and Personal Credit Services...**With our creative process of obtaining  
8 business and personal credit through your excellent credit, we assure stability in  
9 funding your deals. We have designed a unique process that you can invest in  
10 [called the] Credit Building Program that will propel you to have a residual income  
11 and get into the investment world. Contact us for consultation about your credit and  
12 how you can partake in this phenomenal money-making program. (Emphasis in  
13 original)

14 30. The Credit Repair Program Investments are documented, in part, by written  
15 contracts prepared and provided to investors by WOODS titled "PHOENIX FUNDING  
16 LLC...JOINT VENTURE AGREEMENT[s]" (the "Contracts").

17 31. The Contracts state that the Credit Repair Program Investments have a term of two  
18 years.

19 32. Contracts are executed by WOODS on behalf of PHOENIX FUNDING as its  
20 "Manager," and by investors.

21 33. The Contracts purport to grant Respondents and/or their agents "a limited power of  
22 attorney" to have access to and/or acquire "Credit Funding" in the name of and/or on behalf of the  
23 investor "from various financial institutions, private money lenders, venture capitalists" and other  
24 "financing resources" (the "Debt(s)").

25 34. As a result, purchase money for the Credit Repair Program Investments is most  
26 often derived from funds obtained by Respondents from investors via investor credit cards, loans or  
types of credit accounts.

1           35.     The Debts are on paper owed by the Credit Repair Program investors themselves,  
2 and not by Respondents. However, to induce investors to purchase the Credit Repair Program  
3 Investments, WOODS promises investors that Respondents will timely pay the Debts.

4           36.     The Contracts further purport to grant Respondents the power to use the funds  
5 obtained via the investors' credit and related Debt to repair the credit scores of other persons, fund  
6 Respondents' Businesses and otherwise purchase or make "investments in various profitable  
7 business ventures, real estate investments, and private placement platforms."

8           37.     In return, WOODS promises investors both verbally and in writing that Respondents  
9 and investors will share the "residual income" generated from Respondents' Businesses or related  
10 Investments made by Respondents with Credit Repair Program Investment funds including,  
11 without limitation, the funding of businesses and/or shelf companies as set above.

12           **D.     Credit Repair Program Investment Purchase Examples**

13           38.     WOODS sold a Credit Repair Program Investment to an Illinois resident for several  
14 thousand dollars in approximately November 2010 (the "First Investor"). In this case, WOODS  
15 offered to sell the First Investor the Credit Repair Program Investment while the First Investor was  
16 present in Arizona.

17           39.     As part of the First Investor's Credit Repair Program Investment purchase, the First  
18 Investor allowed Respondents and/or their authorized agents to obtain credit and/or create  
19 thousands of dollars of Debt in the name of the First Investor.

20           40.     The First Investor's Credit Repair Program Investment is documented, in part, by:  
21 (a) a Contract signed by WOODS on behalf of PHOENIX FUNDING; and (b) an amendment to  
22 the articles of organization of an Arizona limited liability company (*i.e.*, shelf company), organized  
23 and/or controlled by Respondents and/or their agents, that names the First Investor as a manager of  
24 the company.

25           41.     In return, WOODS promised the First Investor that Respondents and/or their agents  
26 would timely pay the Debt created by Respondents' use of the First Investor's credit, and pay the

1 First Investor profits totaling approximately \$3,000 to \$5,000 per month during the term of the  
2 Investment.

3 42. Respondents have to date failed to timely repay the Debt created in the name of the  
4 First Investor as promised.

5 43. WOODS also sold a Credit Repair Program Investment to an Arizona resident in  
6 within Arizona or around October 2010 totaling several thousand dollars (the "Second Investor").

7 44. The purchase money for the First Investor's Credit Repair Program Investment was  
8 derived from a cash advance that the Second Investor obtained from one of his existing credit  
9 cards.

10 45. The Second Investor converted these funds into a cashier's check made payable to a  
11 shelf company organized and/or controlled by Respondents and/or their agent(s).

12 46. On information and belief, Respondents obtained additional money from the Second  
13 Investor via credit cards or other Debt created in the name of the Second Investor.

14 47. Like the First Investor, WOODS promised the Second Investor that Respondents  
15 would repay the related Debt owed by the Second Investor, and pay the Second Investor profits of  
16 approximately \$5,000 per month during the term of the Credit Repair Program Investment.

17 48. On information and belief, Respondents did not repay all of the money Respondents  
18 and/or their agents obtained from the Second Investor via the Second Investor's credit as promised.

19 **E. The Bankruptcy and Foreclosure Proceedings**

20 49. From at least November 2011 to January 2012, the Website has described  
21 Respondents' Business experience and expertise. For example, the Home page of the Website has  
22 stated at all relevant times, in part, as follows:

23 We raise capital for your investments or lucrative businesses. In short, we can fund  
24 your deals and you can co-venture with our projects. **With 20 years of business**  
25 **experience**, we have assisted various businesses, real estate deals and individuals  
26 obtain funding. **We have the expertise** in consulting and helping clients and  
partners meet their goals. (emphasis added)

1           50.     Additionally, the Products and Services page of the Website discussed above has  
2 also stated at all relevant times, in part, as follows:

3           As management, we have over a decade of experience providing strategic advice.  
4           We can help your company build a strong board, complete and develop your  
5           management team, as well as source and evaluate corporate credit, raising capital  
6           for businesses, providing funding for your real estate deals and lucrative business  
7           and investments through hard money lenders, acquisitions, venture capital, and  
8           partnerships.

9           51.     CLEMENTE filed a voluntary petition for relief under Chapter 13 of Title 11 of the  
10           United States Bankruptcy Code (the "Bankruptcy Code") in the United States District Court for the  
11           District of Arizona on June 19, 2009, under case No. 2:07-bk-13847-RJH (the "Bankruptcy").  
12           CLEMENTE'S Bankruptcy schedules list total liabilities or debts of approximately \$820,369.

13           52.     On August 3, 2009, the United States Bankruptcy Court ("Bankruptcy Court")  
14           entered an order converting the Bankruptcy to a proceeding under Chapter 11 of the Bankruptcy  
15           Code. No plan of reorganization has been approved by the Bankruptcy Court and the Bankruptcy  
16           is currently pending.

17           53.     On August 18, 2008, a Notice of Trustee's Sale Under Deed of Trust dated August  
18           15, 2008, was recorded, as document no. 20080716001 in the official records of the Maricopa  
19           County Recorder, on behalf of the lender holding the first lien position in the real estate owned by  
20           and serving as the personal residence of CLEMENTE ("Notice of Trustee's Sale"). Upon  
21           information and belief, at all relevant times, CLEMENTE's residence also served as a Business  
22           address for PHOENIX FUNDING.

23           54.     The Notice of Trustee's Sale was recorded due to the failure of CLEMENTE to  
24           fully satisfy her obligations to the lender holding the first lien position in the real estate owned by  
25           and serving as her personal residence ("Lender"), resulting in the commencement of a non-judicial  
26           foreclosure proceeding by her Lender ("Foreclosure Proceeding").





1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondents WOODS,  
2 CLEMENTE, and PHOENIX FUNDING, individually, and the marital communities of Respondents  
3 WOODS and CLEMENTE respectively, jointly and severally shall pay restitution to the  
4 Commission in the principal amount of \$48,905, subject to legal setoffs pursuant to A.A.C. R14-4-  
5 308.

6 Payment is due in full on the date of this Order. Payment shall be made to the "State of  
7 Arizona" to be placed in an interest-bearing account controlled by the Commission. Any principal  
8 amount outstanding shall accrue interest at the rate of 10 percent per annum from the date of the  
9 Order until paid in full.

10 The Commission shall disburse the funds on a pro-rata basis to investors shown on the  
11 records of the Commission. Any restitution funds that the Commission cannot disburse because an  
12 investor refuses to accept such payment, or any restitution funds that cannot be disbursed to an  
13 investor because the investor is deceased and the Commission cannot reasonably identify and  
14 locate the deceased investor's spouse or natural children surviving at the time of the distribution,  
15 shall be disbursed on a pro-rata basis to the remaining investors shown on the records of the  
16 Commission. Any funds that the Commission determines it is unable to or cannot feasibly disburse  
17 shall be transferred to the general fund of the state of Arizona.

18 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents WOODS,  
19 CLEMENTE, and PHOENIX FUNDING, individually, and the marital communities of Respondents  
20 WOODS and CLEMENTE, respectively, jointly and severally shall, jointly and severally with all  
21 Respondents against whom orders are entered pay an administrative penalty in the amount of  
22 \$10,000. Payment is due in full on the date of this Order. Payment shall be made to the "State of  
23 Arizona." Any amount outstanding shall accrue interest from the date judgment is entered at the  
24 rate of 10 percent per annum.

1           IT IS FURTHER ORDERED that payments received by the state of Arizona shall first be  
2 applied to the restitution obligation. Upon payment in full of the restitution obligation, payments  
3 shall be applied to the penalty obligation.

4           IT IS FURTHER ORDERED, that if any Respondent fails to comply with this order, the  
5 Commission may bring further legal proceedings against that Respondent, including application to  
6 the superior court for an order of contempt.

7           IT IS FURTHER ORDERED, that no finding of fact or conclusion of law contained in this  
8 Order shall be deemed binding against any Respondent under this Docket Number who has not  
9 consented to the entry of this Order.

10 ...

11 ...

12 ...

13 ...

14 ...

15 ...

16 ...

17 ...

18 ...

19 ...

20 ...

21 ...

22 ...

23 ...

24 ...

25 ...

26 ...

1 IT IS FURTHER ORDERED that this Order shall become effective immediately.

2 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

3  
4  
5 CHAIRMAN

COMMISSIONER

6  
7 COMMISSIONER

COMMISSIONER

COMMISSIONER

8  
9 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,  
10 Executive Director of the Arizona Corporation  
11 Commission, have hereunto set my hand and caused the  
12 official seal of the Commission to be affixed at the Capitol,  
13 in the City of Phoenix, this \_\_\_\_\_ day  
14 of \_\_\_\_\_, 2012.

14  
15 \_\_\_\_\_  
16 ERNEST G. JOHNSON  
17 EXECUTIVE DIRECTOR

17  
18 \_\_\_\_\_  
19 DISSENT

20  
21 \_\_\_\_\_  
22 DISSENT

23 This document is available in alternative formats by contacting Shaylin A. Bernal, ADA  
24 Coordinator, voice phone number 602-542-3931, e-mail [sabernal@azcc.gov](mailto:sabernal@azcc.gov).

25  
26 (wlc)

**CONSENT TO ENTRY OF ORDER**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

1. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING admit the jurisdiction of the Commission over the subject matter of this proceeding. WOODS, CLEMENTE, and PHOENIX FUNDING acknowledge that they have been fully advised of their right to a hearing to present evidence and call witnesses and they knowingly and voluntarily waive any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. WOODS, CLEMENTE, and PHOENIX FUNDING acknowledge that this Order To Cease And Desist, Order For Restitution, Order For Administrative Penalties And Consent To Same ("Order") constitutes a valid final order of the Commission.

2. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING knowingly and voluntarily waive any right under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

3. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING acknowledge and agree that this Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING have been represented by an attorney in this matter and have reviewed this order with their attorney, Michelle M. Lauer, Bade Baskin Richards PLC, and understand all terms it contains. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING acknowledge that their attorney has apprised them of their rights regarding any conflicts of interest arising from dual representation. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING acknowledge that they have each given their informed consent to such representation.

5. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING neither admit nor deny the Findings of Fact and Conclusions of Law contained in this Order. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING agree that they shall not contest the validity of the

1 Findings of Fact and Conclusions of Law contained in this Order in any present or future  
2 proceeding in which the Commission or any other state agency is a party concerning the denial or  
3 issuance of any license or registration required by the state to engage in the practice of any business  
4 or profession.

5         6. By consenting to the entry of this Order, Respondents WOODS, CLEMENTE, and  
6 PHOENIX FUNDING agree not to take any action or to make, or permit to be made, any public  
7 statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or  
8 creating the impression that this Order is without factual basis. Respondents WOODS,  
9 CLEMENTE, and PHOENIX FUNDING will undertake steps necessary to assure that all of their  
10 agents and employees understand and comply with this agreement.

11         7. While this Order settles this administrative matter between Respondents WOODS,  
12 CLEMENTE, and PHOENIX FUNDING and the Commission, they understand that this Order does  
13 not preclude the Commission from instituting other administrative or civil proceedings based on  
14 violations that are not addressed by this Order.

15         8. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING understand that this  
16 Order does not preclude the Commission from referring this matter to any governmental agency for  
17 administrative, civil, or criminal proceedings that may be related to the matters addressed by this  
18 Order.

19         9. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING understand that this  
20 Order does not preclude any other agency or officer of the state of Arizona or its subdivisions from  
21 instituting administrative, civil, or criminal proceedings that may be related to matters addressed by  
22 this Order.

23         10. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING agree that they will  
24 not apply to the state of Arizona for registration as a securities dealer or salesman or for licensure  
25 as an investment adviser or investment adviser representative [until such time as all restitution and  
26 penalties under this Order are paid in full.

1           11. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING agree that they will  
2 not exercise any control over any entity that offers or sells securities or provides investment  
3 advisory services within or from Arizona until such time as all restitution and penalties under this  
4 Order are paid in full.

5           12. Respondents WOODS and CLEMENTE's acknowledge that any restitution or  
6 penalties imposed by this Order are obligations of the Respondent as well as the marital  
7 community.

8           13. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING consent to the entry  
9 of this Order and agree to be fully bound by its terms and conditions.

10           14. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING acknowledge and  
11 understand that if they fail to comply with the provisions of the order and this consent, the  
12 Commission may bring further legal proceedings against them, including application to the superior  
13 court for an order of contempt.

14           15. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING understand that  
15 default shall render them liable to the Commission for its costs of collection and interest at the  
16 maximum legal rate.

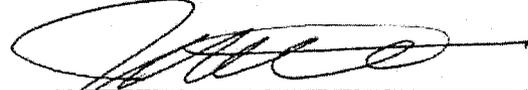
17           16. Respondents WOODS, CLEMENTE, and PHOENIX FUNDING agree and  
18 understand that if they fail to make any payment as required in the Order, any outstanding balance  
19 shall be in default and shall be immediately due and payable without notice or demand.  
20 Respondents WOODS, CLEMENTE, and PHOENIX FUNDING agree and understand that  
21 acceptance of any partial or late payment by the Commission is not a waiver of default by the  
22 Commission.

23           17. Respondent CLEMENTE represents that she is manager of PHOENIX FUNDING  
24 and has been authorized by name of PHOENIX FUNDING to enter into this Order for and on  
25 behalf of it.

26

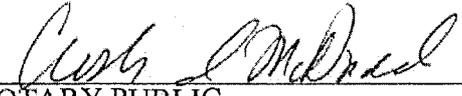
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

  
ROGER D. WOODS

  
JOCELYN DELA CRUZ CLEMENTE (AKA  
JOY CLEMENTE, JOCELYN WOODS, AND  
JOY WOODS)

STATE OF ARIZONA       )  
  ) ss  
County of                               )

SUBSCRIBED AND SWORN TO BEFORE me this 24<sup>th</sup> day of July, 2012.

  
NOTARY PUBLIC

My commission expires:  
5-14-2013



PHOENIX FUNDING, LLC

  
By JOCELYN DELA CRUZ CLEMENTE (AKA  
JOY CLEMENTE, JOCELYN WOODS, AND  
JOY WOODS)  
Its Manager

STATE OF ARIZONA       )  
  ) ss  
County of                               )

SUBSCRIBED AND SWORN TO BEFORE me this 24<sup>th</sup> day of July, 2012.

  
NOTARY PUBLIC

My commission expires:  
5-14-2012



1 SERVICE LIST FOR: ROGER D. WOODS, JOCELYN DELA CRUZ CLEMENTE (AKA  
2 JOY CLEMENTE, JOCELYN WOODS, AND JOY WOODS), and PHOENIX FUNDING, LLC

3 Michelle M. Lauer  
4 Bade Baskin Richards PLC  
5 80 E. Rio Salado Parkway  
6 Suite 511  
7 Tempe, AZ 85281  
8 (480) 968-1225  
9 [mlauer@badebaskin.com](mailto:mlauer@badebaskin.com)  
10 Attorney for Respondents  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**BEFORE THE ARIZONA CORPORATION COMMISSION**

COMMISSIONERS

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

In the matter of: )  
 )  
ROGER D. WOODS, an individual, )  
 )  
JOCELYN DELA CRUZ CLEMENTE (AKA )  
JOY CLEMENTE, JOCELYN WOODS, AND )  
JOY WOODS), an individual, )  
 )  
PHOENIX FUNDING, LLC, an Arizona limited )  
liability company, )  
 )  
Respondents. )

DOCKET NO. S-20825A-11-0454

**NOTICE OF FILING OF PROPOSED  
OPEN MEETING AGENDA ITEM**

Pursuant to A.A.C. R14-4-303, you are hereby notified that the attached: Order to Cease and Desist, Order For Restitution, Order For Administrative Penalties and Consent to Same By: Roger D. Woods, Jocelyn Dela Cruz Clemente (Aka Joy Clemente, Jocelyn Woods, And Joy Woods), and Phoenix Funding, LLC was filed with the Arizona Corporation Commission's Docket Control.

Dated: 7/27/12

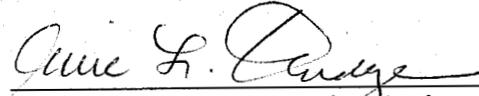
By:   
Wendy L. Coy, Senior Counsel

I hereby certify that I have this day served the foregoing document on all parties of record in this proceeding by mailing a copy thereof, properly addressed with first class postage prepaid to:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

Michelle M. Lauer  
Bade Baskin Richards PLC  
80 E. Rio Salado Parkway  
Suite 511  
Tempe, AZ 85281  
(480) 968-1225  
mlauer@badebaskin.com  
Attorney for Respondents

Dated: 7/27/12

By:   
Emie R. Bridges, Executive Assistant