

ORIGINAL

NEW APPLICATION



BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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COMMISSIONERS

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

In the matter of:

JAMES F. LIEBES, CRD #2332174, a single man, and

LANESBOROUGH FINANCIAL GROUP LLC, an Arizona limited liability company,

Respondents.

DOCKET NO. S-20876A-13-0014

NOTICE OF OPPORTUNITY FOR HEARING REGARDING PROPOSED ORDER TO CEASE AND DESIST, ORDER FOR RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES, AND ORDER FOR OTHER AFFIRMATIVE ACTION

NOTICE: EACH RESPONDENT HAS 10 DAYS TO REQUEST A HEARING

EACH RESPONDENT HAS 30 DAYS TO FILE AN ANSWER

The Securities Division ("Division") of the Arizona Corporation Commission ("Commission") alleges that respondents JAMES F. LIEBES, CRD #2332174 ("LIEBES"), and LANESBOROUGH FINANCIAL GROUP LLC ("LANESBOROUGH") have engaged in acts, practices, and transactions that constitute violations of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act").

I.

JURISDICTION

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Securities Act.

II.

RESPONDENTS

2. LIEBES is a single man who at all relevant times resided in Maricopa County, Arizona.

1 12. Examples of transactions in which Respondents offered to sell securities and
2 provided the services described in the preceding paragraphs include the following:

3 a) On January 4, 2010, the transfer of 48,000 shares for a purchase price of
4 \$144,000;

5 b) On January 15, 2010, the transfer of 125,000 shares for a purchase price of
6 \$410,853.50;

7 c) On February 11, 2010, the transfer of 50,000 shares for a purchase price of
8 \$150,000; the seller paid Respondents a \$9,000 commission in this transaction;

9 d) On March 15, 2010, the transfer of 10,158 shares for a purchase price of
10 \$40,632;

11 e) On June 15, 2010, the transfer of 35,000 shares for a purchase price of
12 \$175,000; the seller paid Respondents a \$10,500 commission in this transaction;

13 f) On August 11, 2010, the transfer of 29,444 shares for a purchase price of
14 \$132,498; the seller paid Respondents a \$7,949.88 commission in this transaction;

15 g) On August 27, 2010, the transfer of 10,000 shares for a purchase price of
16 \$45,000;

17 h) On October 18, 2010, the transfer of 5,555 shares for a purchase price of
18 \$24,997.50; the seller paid Respondents a \$1,499.85 commission in this transaction;

19 i) On October 18, 2010, the transfer of 10,000 shares for a purchase price of
20 \$45,000;

21 j) On November 30, 2010, the transfer of 131,053 shares for a purchase price
22 of \$610,001.75;

23 k) On December 7, 2010, the transfer of 18,392 shares for a purchase price of
24 \$82,764;

25 l) On December 7, 2010, the transfer of 9,167 shares for a purchase price of
26 \$41,251.50;

1 Persons with a disability may request a reasonable accommodation such as a sign language
2 interpreter, as well as request this document in an alternative format, by contacting Shaylin A.
3 Bernal, ADA Coordinator, voice phone number (602) 542-3931, e-mail sabernal@azcc.gov.
4 Requests should be made as early as possible to allow time to arrange the accommodation.
5 Additional information about the administrative action procedure may be found at
6 <http://www.azcc.gov/divisions/securities/enforcement/AdministrativeProcedure.asp>

7 **VII.**

8 **ANSWER REQUIREMENT**

9 Pursuant to A.A.C. R14-4-305, if a respondent requests a hearing, the requesting respondent
10 must deliver or mail an Answer to this Notice of Opportunity for Hearing to Docket Control,
11 Arizona Corporation Commission, 1200 W. Washington, Phoenix, Arizona 85007, within 30
12 calendar days after the date of service of this Notice. Filing instructions may be obtained from
13 Docket Control by calling (602) 542-3477 or on the Commission's Internet web site at
14 <http://www.azcc.gov/divisions/hearings/docket.asp>.

15 Additionally, the answering respondent must serve the Answer upon the Division. Pursuant
16 to A.A.C. R14-4-303, service upon the Division may be made by mailing or by hand-delivering a
17 copy of the Answer to the Division at 1300 West Washington, 3rd Floor, Phoenix, Arizona, 85007,
18 addressed to Ryan J. Millecam.

19 The Answer shall contain an admission or denial of each allegation in this Notice and the
20 original signature of the answering respondent or respondent's attorney. A statement of a lack of
21 sufficient knowledge or information shall be considered a denial of an allegation. An allegation not
22 denied shall be considered admitted.

23 When the answering respondent intends in good faith to deny only a part or a qualification
24 of an allegation, the respondent shall specify that part or qualification of the allegation and shall
25 admit the remainder. Respondent waives any affirmative defense not raised in the Answer.
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1 The officer presiding over the hearing may grant relief from the requirement to file an
2 Answer for good cause shown.

3 Dated this 28 day of January, 2013.

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6 Matthew J. Neubert
7 Director of Securities
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