

ORIGINAL



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Trisha A. Morgan

**From:** Dan Delaney <ddtwod@cox.net>  
**Sent:** Saturday, May 25, 2013 11:10 PM  
**To:** Stump-Web; Pierce-Web; RBurns-Web; Bitter-Smith-Web; Burns-Web  
**Subject:** FW: Jim Hartgraves / Morgan Financial Lenders #S-20719A-09-0583  
**Attachments:** AZCC Letter 1.docx

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 Arizona Corporation Commission  
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May 25<sup>th</sup>, 2013

DOCKETED BY

Dear Chairman Stump, Commissioner Burns, Commissioner Susan Bitter-Smith, Commissioner Burns, Commissioner Pierce, J. Coleman, Paul Huynh, Attorney for the Securities Div. of the ACC  
 1200 West Washington  
 Phoenix, AZ 85007-2996

My name is Dan Delaney, and I am one of the investors involved with Jim Hartgraves and Morgan Financial Lenders LLC. It has been several months since I have heard from Mr. Hartgraves about our investment portfolio, so I decided to do some research on the internet. I found the case docket on the ACC site and spent some time looking at the documents posted there.

I believe you ordered this case to remain open (#S-20719A-09-0583). I also see that Mr. Hartgraves and his attorney have stated that they have complied with the order and have asked for this case to be immediately closed. I demand that you keep this case open. He has not complied with the order because he was ordered to notify us of any relevant information that was important to us and there is more that I will write to you later in the week. We believe that he intentionally kept information from us that had we known about we would not have agreed to invest in these securities and would never have exchanged to an exchange memorandum.

I am seeing information in these docket documents that I have never seen before or have not been told about. I believe that information was withheld from me that would have affected my willingness to continue in this investment. It was never made clear to me that I was investing in Securities. I am not an accredited investor. My income nowhere near qualifies as one and I am not an expert in real estate. My wife and I took out a second mortgage to make this investment which has put us in near financial ruin.

I read Mr. Huynh's letter where he said "Mr. Hargraves represents the proverbial fox guarding the henhouse". I now know that when Mr. Hartgraves was asking us investors to write letters on his behalf to the ACC to reduce the \$100k fine it was not in our benefit at all, in fact to our detriment. This is just one example of how we were manipulated during this process.

I have not had enough time to go through all of the documents at this time but I wanted to take a moment to contact you to demand that this case not be closed. There is much more information that needs to be communicated to the rest of the Morgan Financial Lender members. If everyone else was kept in the dark about what was happening as much as my wife and I, then there are many others out there that need to hear this information. Several times during the investment I requested information and consistent updates about what was happening and was rarely given any.

He convinced us this was a great idea to invest and getting property 50 cents on the dollar how could he sell it now for ten times less? That has nothing to do with the economy. You as a committee are responsible for protecting the public and the consumers. I am not capable of hiring an attorney and we rely upon you as either elected officials or appointed officials to do the right thing. Closing this case would clearly be the wrong thing because this record is not complete. I am considering contacting the other investors as I need time to communicate with them.

I demand that you make this letter part of the docket records and that you communicate with all of the Morgan Financial Lender members.

Sincerely,  
Dan Delaney