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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

JUL 30 2013

DOCKETED BY ne

COMMISSIONERS

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

In the matter of:

DONNA KAY BEERS, CRD# 1172038,
and JAMES BEERS, wife and husband,

Respondents.

DOCKET NO. S-20856A-12-0409

DECISION NO. 74017

ORDER TO CEASE AND DESIST, ORDER OF
REVOCAION, ORDER FOR RESTITUTION,
ORDER FOR ADMINISTRATIVE
PENALTIES, AND CONSENT TO SAME

BY: RESPONDENTS DONNA KAY BEERS
and JAMES BEERS

Respondents DONNA KAY BEERS, CRD# 1172038, and JAMES BEERS 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") and under Articles 7 and 8 of the Arizona
Investment Management Act, A.R.S. § 44-3101 et seq. ("Investment Management Act" or "IM
Act") with respect to this Order to Cease and Desist, Order of Revocation, Order for Restitution,
Order for Administrative Penalties, and Consent to Same ("Order"). DONNA KAY BEERS,
CRD# 1172038, and JAMES BEERS 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.

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I.

**FINDINGS OF FACT**

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2  
3 1. The Commission has jurisdiction over this matter pursuant to Article XV of the  
4 Arizona Constitution, the Securities Act, and the IM Act.

5 2. Donna Kay Beers (CRD# 1172038) (“Beers” or “Respondent”) is a married woman  
6 residing in Scottsdale, Arizona. At all relevant times, Beers was present in Arizona.

7 3. At all relevant times Beers has been the spouse of James Beers.

8 4. James Beers may be referred to hereafter as “Respondent Spouse.” Respondent  
9 Spouse is joined in this action under A.R.S. § 44-2031(C) and A.R.S. § 44-3291(C) solely for purposes  
10 of determining the liability of Beers’ and James Beers’ marital community.

11 5. At all relevant times Beers has been acting for her own benefit, and for the benefit or in  
12 furtherance of the marital community with Respondent Spouse.

13 6. From April 17, 2009, until March 27, 2013, Beers was licensed as a securities salesman  
14 in association with Titan Securities (CRD# 131392). At the time BEERS terminated her association  
15 with Titan Securities her registration as a securities salesman, pursuant to Arizona Revised Statute §  
16 44-1949, was automatically suspended.<sup>1</sup> Since her termination, BEERS has not associated with any  
17 dealer.

18 7. From January 21, 2009, until September 30, 2009, Beers was licensed as an investment  
19 advisor representative in association with Private Wealth Advisors, Inc. (CRD# 148144).

20 8. From January 17, 2001, until March 30, 2009, Beers was registered as a securities  
21 salesman associated with Private Consulting Group, Inc. (CRD# 45053).

22 9. From October 15, 2001, until December 31, 2008, Beers was licensed as an investment  
23 advisor representative in association with Private Consulting Group, Inc.

24 <sup>1</sup> Arizona Revised Statute § 44-1949: “Each registered dealer shall promptly notify the director of the termination of  
25 the employment of a registered salesman. The registration of the salesman shall automatically be suspended from the  
26 time of termination of the employment until the salesman is again employed by a registered dealer and the director is  
notified by the dealer in writing or by the CRD system, and the registered dealer is notified of approval of the  
registration by the director or the CRD system or the salesman has complied with all requirements in accordance with a  
temporary transfer program utilized by the CRD system and the commission.”

1           10.     During all relevant times Beers was registered as a securities salesman and/or licensed  
2 as an investment adviser representative with the Commission.

3     **A.     CLIENTS AK & HK**

4           11.     AK & HK, married couple, are both retired and around 60 years of age. They are not  
5 sophisticated investors and prior to retaining Beers as their investment adviser<sup>2</sup> and securities  
6 salesman they had managed their own investments by generally selecting well-known stocks such  
7 as Wal-Mart and Costco. Once they retired they decided they needed assistance with investing  
8 their retirement funds in a safe and prudent manner, believing they required the expertise and  
9 sophistication of a professional.

10          12.     In the summer of 2007, AK & HK interviewed financial professionals eventually  
11 selecting Beers based on what Beers represented as her investment strategy. Beers stated she had an  
12 investment approach that differed from the typical model. Instead of investing in stocks, Beers  
13 would provide advice about, recommend and sell investments in private, safe, conservative  
14 investments with no further worries of market crashes, fluctuations, or instabilities.

15          13.     Upon retaining Beers as their investment adviser and securities salesman, Beers  
16 instructed AK & HK to liquidate their existing investments reinvesting the proceeds plus additional  
17 cash AK & HK had on hand, in five different private placements and direct participation programs:  
18 Fountain Hills Town Square, L.L.C. ("FHTS"), Atlas Resources Public #17-2007 Program  
19 ("Atlas"), DBSI Securities ("DBSI"), ICON Leasing Fund Twelve, LLC ("ICON"), and Resource  
20 Real Estate Investors 6, L.P. ("Resource Real Estate"). These private placements and direct  
21 participation programs represented 69 percent of their investable assets. Before Beers, AK & HK  
22 had never invested in private placements or direct participation programs.

23     **B.     FOUNTAIN HILLS TOWN SQUARE, L.L.C.**

24          14.     In or around November 2008, Beers contacted AK & HK and informed them about

25     <sup>2</sup> During the course of their relationship Beers provided AK & HK with business cards identifying her as an investment  
26 adviser associated with Private Consulting Group and an investment adviser representative associated with Private  
Wealth Advisors, Inc.

1 an opportunity to invest in FHTS. FHTS was a planned mixed use project, including a cinema,  
2 condominiums, retail stores and dining on 12.67 acres in downtown Fountain Hills, Arizona.

3 15. FHTS, an Arizona limited liability company organized on August 23, 2007,  
4 consisted of four founding members: Kasnoff Investment, L.L.C., (“KI, L.L.C.”) Infinity Capital  
5 and Funding, L.L.C. (“Infinity”), Caesar Investments, L.L.C. (“Caesar”), and Nielson-Fackler LLC.  
6 These members purportedly made capital contributions totaling \$45,000 in exchange for a 90  
7 percent stake in FHTS. Kasnoff and a member of Infinity were managers of FHTS.

8 16. Infinity was a Scottsdale-based company that funds real estate ventures. FHTS and  
9 Kasnoff retained Infinity to obtain financing for the FHTS project.

10 17. Caesar is an Arizona limited liability company owned and managed by Beers and  
11 her husband. Caesar owned a 10 percent interest in FHTS.

12 18. FHTS sought to raise \$1 million for pre-development costs including costs  
13 associated with compensating Infinity for its efforts to secure permanent financing. To fund these  
14 initial costs, FHTS offered for sale membership interests for \$25,000 each.

15 BEERS’ RELATIONSHIPS WITH KASNOFF AND INFINITY

16 19. Beers and Kasnoff had known each other for a number of years. They were friends,  
17 socialized together and Beers had sublet her office from Kasnoff since 2007.

18 20. In 2008 Beers also paid \$5,000 in attorney’s fees for the FHTS Private Placement  
19 Memorandum (“PPM”) because, according to Beers, Kasnoff had no money.

20 21. Both Kasnoff and Beers had adjoining offices above the Waters Edge Restaurant  
21 (“Restaurant”) in Fountain Hills, Arizona. Kasnoff owned a majority interest in the Restaurant and  
22 Beers owned 10 percent.

23 22. The Restaurant stood to benefit from the FHTS project because it was located only a  
24 few blocks from the project. This, along with Kasnoff’s interest in the Restaurant, was disclosed in  
25 the PPM. However, Beers’ interest in the Restaurant was not disclosed in the PPM.

26 23. Infinity’s website described Beers as a partner of Infinity. Beers provided,

1 reviewed, and approved her biographical information listed on the website. Beers testified that  
2 Infinity agreed to compensate her if she brought business to Infinity. Thus, when Kasnoff  
3 approached her about the need for financing for the FHTS project in 2007 she in turn referred  
4 Kasnoff to Infinity. Infinity stood to receive \$50,000 of the proceeds from the FHTS offering.

5 24. Beers attended meetings at Infinity where FHTS's request for 100 percent financing  
6 of the property purchase price was discussed. Besides Beers, Kasnoff and other Infinity principals  
7 were in attendance. Infinity never secured financing for FHTS in part due to the fact that in 2008  
8 the real estate project market was in rapid decline.

9 25. Beers' involvement in FHTS went beyond her relationship with Kasnoff and her  
10 affiliations with Caesar and Infinity. She signed and issued checks from the FHTS bank account.

11 BEERS' FHTS SALES REPRESENTATIONS

12 26. AK & HK felt pressured by Beers to invest in FHTS on the day that they met at her  
13 office in Fountain Hills. In making her sales recommendation Beers made a number of  
14 representations regarding the FHTS project and the propriety of investing.

15 27. Beers advised that FHTS was a good investment and an opportunity for AK & HK  
16 to recoup funds they lost in the DBSI private placement previously sold to them by Beers.

17 28. Beers led AK & HK to believe that they had to invest \$50,000 to participate in the  
18 offering.

19 29. Beers told AK & HK they would not lose their money in FHTS even if FHTS could  
20 not secure project financing because their money would be held in escrow until financing was  
21 secured. In the unlikely event that permanent financing was not secured, Beers stated their funds  
22 would be returned to them.

23 30. After listening to Beers' sales pitch, HK indicated a lack of interest in the  
24 investment. It was then that Beers brought in Kasnoff from his office which adjoined Beers' office,  
25 to continue the project presentation. At the conclusion of the presentation, Beers told AK & HK  
26 they needed to make a quick decision because she was scheduled to meet with another client after

1 their meeting and that client would buy all the remaining interests in the offering. It was at this  
2 time that AK & HK wrote a check for \$50,000 to invest in FHTS. Eventually all of AK's & HK's  
3 investment in FHTS was lost.

4 31. After they gave Beers their \$50,000, Beers provided AH & HK with a FHTS PPM  
5 dated September 2008. Beers had previously reviewed the PPM before it was finalized for  
6 publication. No changes were made resulting from Beers' pre-publication review of the PPM  
7 relating to disclosing Beers' involvement in and potential conflicts with FHTS.

8 BEERS' FAILURES TO DISCLOSE HER RELATIONSHIPS AND MISREPRESENTATIONS

9 32. Beers never disclosed to AK & HK before they invested her relationship with  
10 Kasnoff and her ownership interests in FHTS through Caesar and that she stood to benefit from the  
11 FHTS project through her ownership interest in the Restaurant.

12 33. Beers never disclosed to AK & HK her relationship with Infinity and that she would  
13 be personally compensated for the referral of FHTS to Infinity if Infinity was successful in  
14 obtaining financing. Infinity was not successful in obtaining financing.

15 34. Beers never disclosed that FHTS was beset by financing issues to AK & HK before  
16 they invested. Despite her first-hand knowledge of the difficulty in acquiring financing, Beers  
17 solicited AK & HK to invest in FHTS without revealing the potential risks related to FHTS's  
18 financing difficulties. In fact, Beers portrayed FHTS as a viable project.

19 35. Beers mislead AK & HK when she led them to believe a \$50,000 investment was  
20 required, contrary to the fact that the offering consisted of \$25,000 membership interests.

21 36. Beers mislead AK & HK by telling them their investment funds would be placed in  
22 escrow and returned if FHTS did not secure financing. The FHTS offering proceeds were not  
23 placed in an escrow account nor were AK's & HK's investment funds returned when FHTS failed  
24 to secure permanent financing for the project. AK's & HK's investment funds were deposited to a  
25 FHTS checking account. FHTS then used half of their funds to purchase a cashier's check that was  
26 deposited with the title company; the other half was deposited with the title company to fund an

1 extension payment to the sellers of the property to keep the deal alive.

2 37. Beers testified that she was never compensated for bringing investors to FHTS.  
3 When asked to explain a check from Kasnoff in the amount of \$15,000 made payable to Private  
4 Wealth Advisors<sup>3</sup> and deposited into a banking account in the name of Private Wealth Advisors  
5 where Beers was the sole signatory on the account and that had "RIA fees" written in the  
6 memorandum line, Beers explained she was helping the Kasnoffs avoid Internal Revenue Service  
7 problems. Beers testified she paid FHTS bills with the funds, but later said she declared the  
8 \$15,000 as income on her taxes.

9 **C. THE OTHER PRIVATE PLACEMENT: ATLAS**

10 **BEERS' FAILURE TO ADEQUATELY ASSESS SUITABILITY FOR AK & HK**

11 38. Along with FHTS, Beers invested AK's & HK's funds in another private placement.  
12 This investment was not, as represented by Beers, safe, conservative investment with no further  
13 worries of market crashes, fluctuations, or instabilities.

14 **Atlas Resources Public #17-2007 Program**

15 39. Beers advised AK & HK to invest in Atlas Resources Public #17-2007 Program  
16 ("Atlas"), a security characterized as general partnership units subject to conversion to limited  
17 partnership units. Atlas intended to use the offering proceeds to drill primarily natural gas  
18 development wells.

19 40. The managing general partner, who had limited experience in the area Atlas planned  
20 to drill, had complete control over this investment. The investment was "speculative", "illiquid",  
21 and were for those who could "afford a complete loss of [their] investment." Investors who chose  
22 the general partnership track would receive tax benefits in exchange for unlimited liability for all of  
23 Atlas partnership's obligations. AK & HK became general partners under Beers' guidance not  
24 understanding their personal liability exposure. AK & HK invested \$50,000 in Atlas.

25 <sup>3</sup> Beers testified that Private Wealth Advisors was her firm. She filed an application with the Arizona Secretary of  
26 State to register the name "Private Wealth Advisors." Beers registered the name on January 29, 2010, but listed the  
date of January 30, 2009, as the date she began to use the name. In addition, she listed "investment advisory" as her  
business type.

1 41. When AK & HK recently inquired of Atlas of the status of their investment, they  
2 were advised by Atlas that their principal was gone, but they could continue to receive distributions  
3 as long as the wells continued to produce. Atlas' last distribution to AK & HK was \$51.19 in July  
4 2012. As of August 2012, Atlas informed AK & HK that the distributions were likely going to  
5 change to quarterly instead of monthly.

6 42. The FHTS and Atlas private placements were not suitable for AK & HK and were  
7 not compatible with their goal of holding safe investments. FHTS was a total loss shortly after AK  
8 & HK invested and the Atlas private placement subjected AK & HK to unlimited liability as  
9 general partners. AK & HK have lost \$86,815 of the amount they invested.

10 **II.**

11 **CONCLUSIONS OF LAW**

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

14 2. BEERS violated A.R.S. § 44-1991 when Beers failed to disclose material facts  
15 relating to the FHTS project, her involvement in FHTS and her relationships with other entities  
16 involved with FHTS as follows: Beers was aware that the FHTS project was having trouble acquiring  
17 financing. Beers attended meetings at Infinity and knew that funding was unavailable for the project  
18 yet none of this information was disclosed to AK & HK.

19 3. BEERS is subject to an order of revocation of her securities salesman registration,  
20 pursuant to A.R.S. § 44-1962, specifically,

21 a) Pursuant to A.R.S. § 44-1962(A)(2), by violating A.R.S. § 44-1991; and

22 b) Pursuant to A.R.S. § 44-1962(A)(10), engaging in dishonest and unethical  
23 conduct within the meaning of R14-4-130(A)(4), by recommending to AK & HK the purchase, sale  
24 or exchange of securities without reasonable grounds to believe that the recommendations were  
25 suitable for AK & HK.

26 4. BEERS violated A.R.S. § 44-3241 as follows:



1 a) BEERS engaged in fraudulent practices under A.A.C. R14-6-207(A)(1) in  
2 violation of A.R.S. § 44-3241(A)(4) by offering and selling to AK & HK interests  
3 in private placements that were illiquid risky securities designed for investors who  
4 could withstand the total loss of their investment despite Beers telling AK & HK  
5 that she would invest their funds in safe and conservative investments;

6 b) Beers described FHTS as a good investment and viable project but she failed to  
7 disclose material facts relating to the FHTS project, her involvement in FHTS and  
8 her relationships with other entities involved with FHTS as follows:

9 i. Beers failed to disclose that through Caesar she was a founding member  
10 and 10 percent owner of FHTS.

11 ii. Beers failed to disclose that she had an ownership interest in the Water's  
12 Edge Restaurant which would directly benefit from the FHTS project.

13 iii. Beers was aware that the FHTS project was having trouble acquiring  
14 financing. Beers attended meetings at Infinity and knew that funding was  
15 unavailable for the project yet none of this information was disclosed to AK  
16 & HK.

17 5. BEERS' conduct is grounds for a cease and desist order pursuant to A.R.S. §§ 44-  
18 1962, 44-2032, and 44-3292.

19 6. BEERS' conduct is grounds for an order of restitution pursuant to A.R.S. §§ 44-  
20 1962, 44-2032, and 44-3292.

21 7. BEERS' conduct is grounds for administrative penalties pursuant to A.R.S. §§ 44-  
22 1962, 44-2032, 44-2036, and 44-3296.

23 8. BEERS acted for the benefit of her marital community and, pursuant to A.R.S. §§  
24 25-214 and 25-215, this Order of restitution and administrative penalties is a debt of the marital  
25 community.

26

**III.****ORDER**

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2  
3        THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondent's  
4 and Respondent Spouse's consent to the entry of this Order, attached and incorporated by  
5 reference, the Commission finds that the following relief is appropriate, in the public interest, and  
6 necessary for the protection of investors:

7        IT IS ORDERED, pursuant to A.R.S. §§ 44-1962, 44-2032 and 44-3292, that BEERS and  
8 any of BEERS' agents, employees, successors and assigns, permanently cease and desist from  
9 violating the Securities Act and the Investment Management Act.

10        IT IS FURTHER ORDERED that Respondent and Respondent Spouse comply with the  
11 attached Consent to Entry of Order.

12        IT IS FURTHER ORDERED, pursuant to A.R.S. §§ 44-1962, 44-2032 and 44-3292, that  
13 BEERS, individually, and the marital community of BEERS and JAMES BEERS, jointly and  
14 severally, shall pay restitution in the principal amount of \$86,815. Payment is due in full on the  
15 date of this Order. Payment shall be made to the "State of Arizona" to be placed in an interest-  
16 bearing account controlled by the Commission. Any amount outstanding shall accrue interest from  
17 the date judgment is entered at the rate of 4.25 percent per annum.

18        The Commission shall disburse the funds on a pro-rata basis to investors shown on the  
19 records of the Commission. Any restitution funds that the Commission cannot disburse because an  
20 investor refuses to accept such payment, or any restitution funds that cannot be disbursed to an  
21 investor because the investor is deceased and the Commission cannot reasonably identify and  
22 locate the deceased investor's spouse or natural children surviving at the time of the distribution,  
23 shall be disbursed on a pro-rata basis to the remaining investors shown on the records of the  
24 Commission. Any funds that the Commission determines it is unable to or cannot feasibly disburse  
25 shall be transferred to the general fund of the state of Arizona.

26

1 IT IS FURTHER ORDERED, pursuant to A.R.S. §§ 44-1962, 44-2036, and 44-3292, that  
2 BEERS, individually, and the marital community of BEERS and JAMES BEERS, jointly and  
3 severally, pay an administrative penalty in the amount of \$15,000. Payment is due in full on the  
4 date of this Order. Payment shall be made to the "State of Arizona." Any amount outstanding shall  
5 accrue interest from the date of this Order at the rate of 4.25 percent per annum.

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

9 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-1962, that BEERS' securities  
10 salesman registration is revoked.

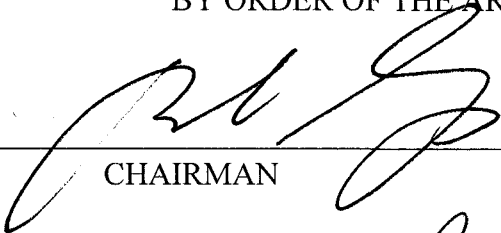
11 IT IS FURTHER ORDERED, that if any Respondent and Respondent Spouse fail to  
12 comply with this order, the Commission may bring further legal proceedings against that  
13 Respondent or Respondent Spouse, including application to the superior court for an order of  
14 contempt.

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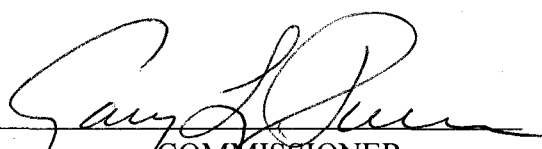
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IT IS FURTHER ORDERED that this Order shall become effective immediately.

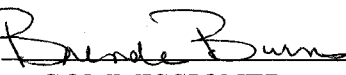
BY ORDER OF THE ARIZONA CORPORATION COMMISSION



CHAIRMAN



COMMISSIONER



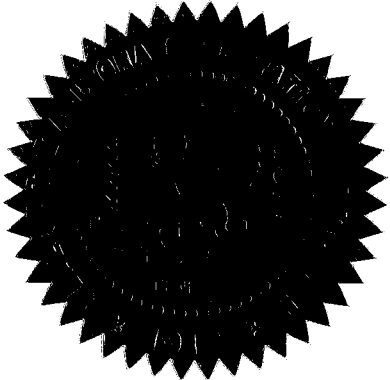
COMMISSIONER



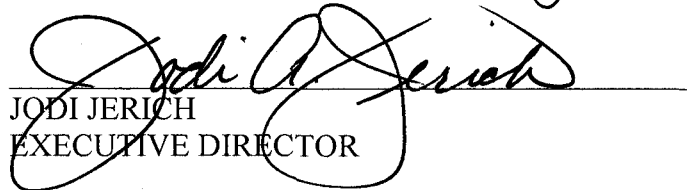
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COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 30<sup>th</sup> day of July, 2013.

  
JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT

DISSENT

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

(av)

**CONSENT TO ENTRY OF ORDER**

1  
2           1.     DONNA KAY BEERS and JAMES BEERS admit the jurisdiction of the  
3 Commission over the subject matter of this proceeding. DONNA KAY BEERS and JAMES  
4 BEERS acknowledge that they have been fully advised of their right to a hearing to present  
5 evidence and call witnesses and that they knowingly and voluntarily waive any and all rights to a  
6 hearing before the Commission and all other rights otherwise available under Article 11 of the  
7 Securities Act and Title 14 of the Arizona Administrative Code. DONNA KAY BEERS and  
8 JAMES BEERS acknowledge that this Order to Cease and Desist, Order of Revocation, Order for  
9 Restitution, Order for Administrative Penalties and Consent to Same by: Respondents DONNA  
10 KAY BEERS and JAMES BEERS (“Order”) constitutes a valid final order of the Commission.

11           2.     DONNA KAY BEERS and JAMES BEERS knowingly and voluntarily waive any  
12 right under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal,  
13 or extraordinary relief resulting from the entry of this Order.

14           3.     DONNA KAY BEERS and JAMES BEERS acknowledge and agree that this Order  
15 is entered into freely and voluntarily and that no promise was made or coercion used to induce such  
16 entry.

17           4.     DONNA KAY BEERS and JAMES BEERS understand and acknowledge that they  
18 have a right to seek counsel regarding this Order, and that they have had the opportunity to seek  
19 counsel prior to signing this Order. DONNA KAY BEERS and JAMES BEERS acknowledge and  
20 agree that, despite the foregoing, they freely and voluntarily waives any and all right to consult or  
21 obtain counsel prior to signing this Order.

22           5.     DONNA KAY BEERS and JAMES BEERS neither admit nor deny the Findings of  
23 Fact and Conclusions of Law contained in this Order. DONNA KAY BEERS and JAMES BEERS  
24 agree that they shall not contest the validity of the Findings of Fact and Conclusions of Law  
25 contained in this Order in any present or future proceeding in which the Commission is a party.

26

1           6. By consenting to the entry of this Order, DONNA KAY BEERS and JAMES  
2 BEERS agree not to take any action or to make, or permit to be made, any public statement  
3 denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating  
4 the impression that this Order is without factual basis. DONNA KAY BEERS and JAMES BEERS  
5 will undertake steps necessary to assure that all of their agents and employees understand and  
6 comply with this agreement.

7           7. While this Order settles this administrative matter between DONNA KAY BEERS  
8 and JAMES BEERS and the Commission, they understand that this Order does not preclude the  
9 Commission from instituting other administrative or civil proceedings based on violations that are  
10 not addressed by this Order.

11           8. DONNA KAY BEERS and JAMES BEERS understand that this Order does not  
12 preclude the Commission from referring this matter to any governmental agency for administrative,  
13 civil, or criminal proceedings that may be related to the matters addressed by this Order.

14           9. DONNA KAY BEERS and JAMES BEERS understand that this Order does not  
15 preclude any other agency or officer of the state of Arizona or its subdivisions from instituting  
16 administrative, civil, or criminal proceedings that may be related to matters addressed by this  
17 Order.

18           10. DONNA KAY BEERS agrees that she will not apply to the state of Arizona for  
19 registration as a securities dealer or salesman or for licensure as an investment adviser or  
20 investment adviser representative until such time as all restitution and penalties under this Order are  
21 paid in full.

22           11. DONNA KAY BEERS agrees that she will not exercise any control over any entity  
23 that offers or sells securities or provides investment advisory services within or from Arizona until  
24 such time as all restitution and penalties under this Order are paid in full.

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*James Beers*  
JAMES BEERS

STATE OF ARIZONA     )  
  ) ss  
County of                    )

SUBSCRIBED AND SWORN TO BEFORE me this 25<sup>th</sup> day of June, 2013.



*Kathleen A. White*  
NOTARY PUBLIC

My commission expires:  
9/25/2015



1 SERVICE LIST FOR: Donna Kay Beers and James Beers

2 Donna Kay Beers  
3 15825 Sunflower Drive  
4 Fountain Hills, AZ 85268  
5 Respondent

6 James Beers  
7 15825 Sunflower Drive  
8 Fountain Hills, AZ 85268  
9 Respondent

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

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3 COMMISSIONERS

4 BOB STUMP, Chairman  
5 GARY PIERCE  
6 BRENDA BURNS  
7 BOB BURNS  
8 SUSAN BITTER SMITH

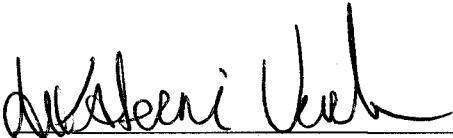
9 In the matter of:  
10 DONNA KAY BEERS, CRD# 1172038, and  
11 JAMES BEERS, wife and husband,  
12 Respondents.

DOCKET NO. S-20856A-12-0409

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

13 Pursuant to A.A.C. R14-4-303, you are hereby notified that the attached: Order to Cease  
14 and Desist, Order of Revocation, Order for Restitution, Order for Administrative Penalties, and  
15 Consent to Same By Respondents Donna Kay Beers and James Beers was filed with the Arizona  
16 Corporation Commission's Docket Control.

17 Dated: 7-2-2013

18 By:   
19 Aikaterine Vervilos, Registration &  
20 Compliance Counsel for the Securities  
21 Division of the Arizona Corporation  
22 Commission

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

25 Donna Kay Beers  
26 15825 Sunflower Drive  
Fountain Hills, AZ 85268  
*Respondent*

James Beers  
15825 Sunflower Drive  
Fountain Hills, AZ 85268  
*Respondent*

Dated: 7-2-2013

By:   
Emie R. Bridges, Executive Assistant