



BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

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

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AZ CORP COMMISSION
DOCKET CONTROL

In the matter of:
ANTHONY RAY STACY (CRD# 1772484),
Respondent.

DOCKET NO. S-20909A-14-0226
**NOTICE OF OPPORTUNITY FOR HEARING
REGARDING PROPOSED ORDER
OF REVOCATION,
TO CEASE AND DESIST,
FOR RESTITUTION,
FOR ADMINISTRATIVE PENALTIES, AND
OTHER AFFIRMATIVE ACTION**

**NOTICE: RESPONDENT HAS 10 DAYS TO REQUEST A HEARING
RESPONDENT HAS 30 DAYS TO FILE AN ANSWER**

The Securities Division ("Division") of the Arizona Corporation Commission ("Commission") alleges that Anthony Ray Stacy has engaged in acts, practices, and transactions that constitute violations of the Arizona Investment Management Act, A.R.S. § 44-3101, *et seq.* ("IM Act").

**I.
JURISDICTION**

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

**II.
RESPONDENTS**

2. Anthony Ray Stacy ("STACY") has been at all relevant times an Arizona resident.

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III.

FACTS

3. On or about September 21, 2006, STACY, CRD No. 1772484, was licensed as an investment adviser representative with the Commission.

4. From about April 4, 2013 to the present, STACY has been associated with the investment adviser Cericidium Capital Management LP, CRD No. 167189.

5. At all relevant times, "Client" was a client of STACY.

6. About October 18, 2013, Client and STACY, personally, executed a Promissory Note (the "Loan"). Pursuant to the Loan, a principal sum of \$130,000 was lent by Client to STACY, to be repaid on January 20, 2014, with \$9,100 (14.3%) interest due on that same date.

7. While requesting the Loan, STACY represented to Client that the proceeds would be used to fund a personal investment by STACY.

8. STACY used the majority of the Loan proceeds to satisfy personal obligations.

9. At STACY's direction, Client wired the Loan principal to a bank account solely controlled by STACY.

10. STACY has failed to repay the Loan to date.

11. The total principal amount owing on the Loan is \$130,000.

12. Client is not a relative of STACY, and Client is not in the business of lending money.

IV.

REMEMDIES PURSUANT TO A.R.S. §44-3201

(Denial, Revocation, or Suspension of Investment Adviser or Investment Adviser Representative License; Restitution, Penalties, or other Affirmative Action)

13. Respondent's conduct is grounds to revoke Respondent's license as an investment adviser representative with the Commission pursuant to A.R.S. § 44-3201(A)(13), as defined in A.A.C. R. 14-4-203(6). Specifically, Respondent has borrowed money from a client who, at the time of the loan to him, was neither a relative of his nor person in the business of lending funds.

1 If a request for a hearing is timely made, the Commission shall schedule the hearing to begin
2 20 to 60 days from the receipt of the request unless otherwise provided by law, stipulated by the
3 parties, or ordered by the Commission. If a request for a hearing is not timely made the Commission
4 may, without a hearing, enter an order granting the relief requested by the Division in this Notice of
5 Opportunity for Hearing.

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

12 **VII.**

13 **ANSWER REQUIREMENT**

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

20 Additionally, the answering respondent must serve the Answer upon the Division. Pursuant
21 to A.A.C. R14-4-303, service upon the Division may be made by mailing or by hand-delivering a
22 copy of the Answer to:

23 Steven C Briggs
24 Securities Division
25 Arizona Corporation Commission
26 1300 W. Washington St., 3rd Floor
Phoenix, Arizona, 85007

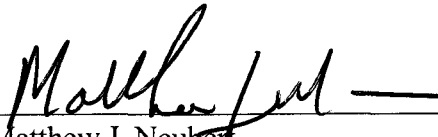
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The Answer shall contain an admission or denial of each allegation in this Notice and the original signature of the answering respondent or respondent's attorney. A statement of a lack of sufficient knowledge or information shall be considered a denial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

When the answering respondent intends in good faith to deny only a part or a qualification of an allegation, the respondent shall specify that part or qualification of the allegation and shall admit the remainder. Respondent waives any affirmative defense not raised in the Answer.

The officer presiding over the hearing may grant relief from the requirement to file an Answer for good cause shown.

Dated July 1, 2014.



Matthew J. Neubert
Director of Securities

SCB