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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

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AZ CORP COMMISSION
DOCKET CONTROL

In the matter of:

DOCKET NO. S-20932A-15-0220

LOANGO CORPORATION, a Utah corporation,

Arizona Corporation Commission

DOCKETED

JUSTIN C. BILLINGSLEY and HEATHER
BILLINGSLEY, husband and wife,

NOV 03 2015

JEFFREY SCOTT PETERSON, an unmarried man,

DOCKETED BY *AG*

JOHN KEITH AYERS and JENNIFER ANN
BRINKMAN-AYERS, husband and wife,

Respondents.

FIFTH
PROCEDURAL ORDER
(Grants Motion to Continue)

BY THE COMMISSION:

On June 30, 2015, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties, and for Other Affirmative Action ("Notice") against LoanGo Corporation, Justin C. Billingsley and Heather Billingsley, husband and wife (the "Billingsleys"), Jeffrey Scott Peterson, and John Keith Ayers and Jennifer Ann Brinkman-Ayers, husband and wife (the "Ayerses") (collectively "Respondents"), in which the Division alleged violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of stock.

The spouse of Justin C. Billingsley, Heather Billingsley ("Billingsley Spouse") and the spouse of John Keith Ayers, Jennifer Ann Brinkman-Ayers ("Ayers Spouse") (collectively "Respondent Spouses") are joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of the respective marital communities.

The Respondents were duly served with copies of the Notice.

1 On July 13, 2015, Respondents LoanGo Corporation and Jeffrey Scott Peterson filed a Request
2 for Hearing pursuant to A.A.C. R14-4-306.

3 On July 15, 2015, Respondents John Keith Ayers and Jennifer Ann Brinkman-Ayers filed a
4 Request for Hearing.

5 On July 17, 2015, by Procedural Order, a pre-hearing was scheduled to commence on July 30,
6 2015.

7 On July 22, 2015, Frank R. Mead and Joshua C. Black filed a Notice of Appearance on behalf
8 of the Billingsleys.

9 On that same date, Respondent Justin Billingsley filed a Request for Hearing.

10 On July 23, 2015, by Procedural Order, the pre-hearing conference scheduled for July 30, 2015,
11 was affirmed.

12 On July 30, 2015, the pre-hearing conference was held as scheduled. The Division and
13 Respondents appeared through counsel. The parties requested the scheduling of a hearing and agreed
14 to the date of February 4, 2016.

15 On July 30, 2015, by Procedural Order, a hearing was scheduled for February 4, 2016.

16 On July 31, 2015, a Consent to Email Service was filed by Kevin Fallon McCarthy on behalf
17 of John and Jennifer Ayers.

18 On that same date, Respondents Ayers filed their Answer.

19 On August 3, 2015, Respondents LoanGo Corporation and Jeffrey Scott Peterson filed their
20 Answer to Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order
21 for Restitution, Order for Administrative Penalties, and Order for Other Affirmative Action.

22 On August 3, 2015, Respondents Billingsley filed their Amended Request for Hearing.

23 On August 25, 2015, Respondents LoanGo Corporation and Jeffrey Scott Peterson filed another
24 Answer to Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order
25 for Restitution, Order for Administrative Penalties, and Order for Other Affirmative Action.

26 On September 25, 2015, a Motion for Substitution of Counsel for Justin C. Billingsley and
27 Heather Billingsley was filed.

28 On that same date, Respondents Justin C. Billingsley and Heather Billingsley filed their Answer

1 to Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order for
2 Restitution, Order for Administrative Penalties and Order for Other Affirmative Action.

3 On October 14, 2015, by Procedural Order, the Motion for Substitution of Counsel was granted
4 and Maureen Beyers of Osborn Maledon, P.A. was substituted as counsel for the Billingsleys.

5 On October 30, 2015, Respondents Justin C. Billingsley and Heather Billingsley filed an
6 Unopposed Motion to Continue Administrative Hearing requesting a continuance based upon counsel's
7 upcoming jury trial which conflicts with the scheduled dates of the hearing. Counsel for the
8 Billingsleys avers having conferred with counsel for the other parties and states that no party objects
9 to the requested continuance.

10 There being no objections, the motion to continue should be granted.

11 IT IS THEREFORE ORDERED that the Unopposed Motion to Continue Administrative
12 Hearing is granted. **The hearing, scheduled to commence on February 4, 2016, is vacated.**

13 IT IS FURTHER ORDERED that the **hearing shall commence on April 4, 2016, at 10:00**
14 **a.m., at the Commission's Offices, 1200 West Washington Street, Hearing Room No. 2, Phoenix,**
15 **Arizona.**

16 IT IS FURTHER ORDERED that **the parties shall also set aside April 5-7, 11, and 13-15,**
17 **2016 for additional days of hearing, if necessary.**

18 IT IS FURTHER ORDERED that **the Division and Respondents shall exchange copies of**
19 **their Witness Lists and copies of the Exhibits by February 19, 2016,** with courtesy copies provided
20 to the presiding Administrative Law Judge.

21 IT IS FURTHER ORDERED that **if the parties reach a resolution of the issues raised in the**
22 **Notice prior to the hearing, the Division shall file a Motion to Vacate the Proceeding**

23 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
24 Communications) is in effect and shall remain in effect until the Commission's Decision in this matter
25 is final and non-appealable.

26 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
27 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

28 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance

1 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona
2 Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings
3 and procedural conferences, as well as all Open Meetings for which the matter is scheduled for
4 discussion, unless counsel has previously been granted permission to withdraw by the Administrative
5 Law Judge or the Commission.

6 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
7 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
8 ruling at hearing.

9 DATED this 3rd day of November, 2015.

10
11 
12 _____
13 MARK PRENY
14 ADMINISTRATIVE LAW JUDGE

13 Copies of the foregoing mailed/delivered
14 this 3rd day of November, 2015, to:

15 Alan S. Baskin
16 BASKIN RICHARDS PLC
17 2901 North Central Ave., Suite 1150
18 Phoenix, AZ 85012
19 Attorneys for LoanGo Corporation
20 and Jeffrey Peterson

Matthew Neubert, Director
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ARIZONA CORPORATION COMMISSION
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18 Kevin Fallon McCarthy
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21 Scottsdale, AZ 85251
22 Attorney for John Keith Ayers
23 and Jennifer Ann Brinkman-Ayers

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22 Maureen Beyers
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26 Attorneys for Respondents Justin and Heather
27 Billingsley

25 By: Rebecca Unquera
26 Rebecca Unquera
27 Assistant to Mark Preny
28