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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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

2015 DEC 11 A 11: 38

AZ CORP COMMISSION
DOCKET CONTROL

In the matter of:

DOCKET NO. S-20932A-15-0220

LOANGO CORPORATION, a Utah corporation,

Arizona Corporation Commission

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

DOCKETED

DEC 11 2015

JEFFREY SCOTT PETERSON, an unmarried man,

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

DOCKETED BY [Signature]

Respondents.

SIXTH
PROCEDURAL ORDER
(Grants Consent to Service by Email)

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 the Ayerses filed a Request for Hearing.

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

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

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

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

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

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

15 On July 31, 2015, a Consent to Email Service was filed by Kevin Fallon McCarthy on behalf
16 of the Ayerses.

17 On that same date, the Ayerses filed their Answer.

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

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

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

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

27 On that same date, the Billingsleys filed their Answer to Notice of Opportunity for Hearing
28 Regarding Proposed Order to Cease and Desist, Order for Restitution, Order for Administrative

1 Penalties and Order for Other Affirmative Action.

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

4 On October 30, 2015, the Billingsleys filed an Unopposed Motion to Continue Administrative
5 Hearing requesting a continuance based upon counsel's upcoming jury trial which conflicted with the
6 scheduled dates of the hearing. Counsel for the Billingsleys averred to speaking with counsel for the
7 other parties and stated that no party objected to the requested continuance.

8 On November 3, 2015, by Procedural Order, the Unopposed Motion to Continue Administrative
9 Hearing was granted.

10 The Ayerses, through counsel, have opted to receive service of all filings in this docket,
11 including all filings by parties and all Procedural Orders and Recommended Opinions and
12 Orders/Recommended Orders issued by the Commission's Hearing Division, via a designated email
13 address rather than via U.S. Mail. The Ayerses have exercised this option, pursuant to the Procedural
14 Order issued on July 17, 2015, by docketing a hard copy of their Consent to Email Service and by
15 sending an email, containing the Ayerses' name and the docket number for this matter, to
16 HearingDivisionServicebyEmail@azcc.gov from their designated email address. The Hearing
17 Division has verified the validity of the designated email address, which now appears on the service
18 list for this matter in addition to the Ayerses' address for U.S. Mail.

19 Accordingly, the Ayerses' Consent to Email Service should be approved.

20 IT IS THEREFORE ORDERED that the request by John Keith Ayers and Jennifer Ann
21 Brinkman-Ayers to receive service of all filings in this docket, including all filings by parties and all
22 Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the
23 Commission's Hearing Division, via their designated email address rather than via U.S. Mail, is hereby
24 approved.

25 IT IS FURTHER ORDERED that a party's election to receive service of all filings in this matter
26 via email does not change the requirement that all filings with the Commission's Docket Control must
27 be made in hard copy and must include an original and 13 copies.

28

1 IT IS FURTHER ORDERED that the **hearing remains scheduled to commence on April 4,**
2 **2016, at 10:00 a.m., at the Commission's Offices, 1200 West Washington Street, Hearing Room**
3 **No. 2, Phoenix, Arizona.** The parties shall also **set aside April 5-7, 11, and 13-15, 2016, for**
4 **additional days of hearing,** if necessary.

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

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

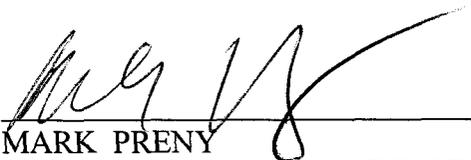
10 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
11 Communications) is in effect and shall remain in effect until the Commission's Decision in this matter
12 is final and non-appealable.

13 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
14 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

15 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
16 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona
17 Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings
18 and procedural conferences, as well as all Open Meetings for which the matter is scheduled for
19 discussion, unless counsel has previously been granted permission to withdraw by the Administrative
20 Law Judge or the Commission.

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

24 DATED this 11th day of December, 2015.

25
26 
27 MARK PRENY
28 ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed/delivered
this 2 day of December, 2015, to:

2 Alan S. Baskin
3 BASKIN RICHARDS PLC
4 2901 North Central Ave., Suite 1150
5 Phoenix, AZ 85012
6 Attorneys for LoanGo Corporation
7 and Jeffrey Peterson

8 Kevin Fallon McCarthy
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8 Attorney for John Keith Ayers
9 and Jennifer Ann Brinkman-Ayers
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Consented to Service by Email

10 Maureen Beyers
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14 Attorneys for Respondents Justin and Heather Billingsley

15 Matthew Neubert, Director
16 Securities Division
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By: 
Tammy Velarde
Assistant to Mark Preny