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AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

2016 AUG 30 P 1:27

COMMISSIONERS

DOUG LITTLE - Chairman  
BOB STUMP  
BOB BURNS  
TOM FORESE  
ANDY TOBIN

Arizona Corporation Commission

DOCKETED

AUG 30 2016

DOCKETED BY

In the matter of: )  
 )  
MERCHANT INTERNATIONAL )  
RESOURCES, INC., a Texas corporation, )  
 )  
and )  
 )  
KENNETH WHITE, a/k/a Kenneth Whyte, an )  
unmarried individual, )  
 )  
Respondents. )

DOCKET NO. S-20959A-16-0109

**NOTICE OF SERVICE BY  
PUBLICATION UPON  
RESPONDENT KENNETH WHITE**

The Securities Division ("Division") of the Arizona Corporation Commission gives notice that respondent Kenneth White has been served with the March 25, 2016 Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order for Restitution, Order for Administrative Penalties and for Other Affirmative Action ("Notice") by publication.

Under A.A.C. Rule R14-4-303(H)(1), the Division may serve a person by publication if either (a) the Division does not know the current address or residence of the person to be served or (b) the person has avoided service and service by publication is the best means practicable under the circumstances. The Division has attached as *Exhibit "A"* an affidavit of Special Investigator Jerry Lowe in support of service by publication (the "Affidavit"). This Affidavit shows that service by publication is proper because, despite an extensive effort to locate and serve White, the Division was unable to do so.

Under A.A.C. Rule R14-4-303(H)(2), to serve by publication the Division must publish a detailed statement regarding the Notice in Maricopa County, Arizona once a week for four

1 successive weeks (the "Statement of Notice"). Under A.A.C. Rule R14-4-303(H)(3), service by  
2 publication is complete 30 days after the first publication of the Statement of Notice.

3 Attached as *Exhibit "B"* is a copy of the sworn Affidavit of Publication of the "Legal Ad  
4 Rep" of the Arizona Business Gazette, a newspaper of general circulation in Maricopa County,  
5 Arizona. This Affidavit of Publication shows that the first publication of the Statement of Notice  
6 occurred on July 28, 2016, with subsequent publications on August 4, 11 and 18, 2016. The  
7 Affidavit of Publication includes a copy of the Statement of Notice.

8 Based on the foregoing, service on White was complete on August 29, 2016.

9 Dated this 30<sup>th</sup> day of August 2016.

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11   
12 Ryan J. Millicam  
13 Enforcement Attorney

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1 On this 30<sup>th</sup> day of August, 2016, the foregoing document was filed with Docket Control as a  
2 Securities Division Certification of Service, and copies of the foregoing were mailed on behalf of  
3 the Securities Division to the following who have not consented to email service. On this date or as  
4 soon as possible thereafter, the Commission's eDocket program will automatically email a link to  
5 the foregoing to the following who have consented to email service.

6  
7 COPY of the foregoing mailed on August 30, 2016, to:

8 Elba Nunez  
9 3843 West Calavar Road  
10 Phoenix, AZ 85053  
11 Statutory Agent for Marchant International Resources, Inc.

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# Exhibit "A"

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE - Chairman  
BOB STUMP  
BOB BURNS  
TOM FORESE  
ANDY TOBIN

In the matter of: )  
 )  
KENNETH WHITE, a/k/a Kenneth Whyte, an )  
unmarried individual, )  
 )  
MERCHANT INTERNATIONAL RESOURCES, )  
INC., a Texas corporation, )  
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Respondents. )  
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DOCKET NO. S-20959A-16-0109

**AFFIDAVIT IN SUPPORT OF  
SERVICE BY PUBLICATION RE:**

**NOTICE OF OPPORTUNITY FOR  
HEARING REGARDING  
PROPOSED ORDER TO CEASE  
AND DESIST, ORDER FOR  
RESTITUTION, ORDER FOR  
ADMINISTRATIVE PENALTIES,  
AND ORDER FOR OTHER  
AFFIRMATIVE ACTION**

I, Jerry Lowe, Special Investigator for the Arizona Corporation Commission, Securities Division, swear and affirm that the following efforts have been made to locate Kenneth White, a/k/a Kenneth Whyte ("White"):

1. Based on public records searches, including searches for telephone and utilities services registered in White's name, conducted on the Thomsen Reuters Clear ("Clear") website on June 25, 2015 and March 28, 2016, White's last known address was 6002 East Saguaro Vista Court, Cave Creek, Arizona 85331-3480. The Clear reports also show White as the owner of an Arizona driver license, information that the Division has confirmed. The address on the driver license is 6002 East Saguaro Vista Court, Cave Creek, Arizona 85331-3480 (described in paragraph 12, below).

1           2.       On Monday, August 24, 2015, I attempted to personally serve White two subpoenas  
2 (one for documents, one for testimony) at the above address in Cave Creek, Arizona. Service was  
3 attempted at 1255 hours, and again at 1335 hours. No-one responded to the ringing of the door-  
4 bell, or to knocks on the front door during both attempts. No vehicles were parked in the driveway.

5           3.       On August 26, 2015, the United States Postal Service advised that the postal carrier  
6 for the Cave Creek address had reported that White had moved six weeks earlier and that any mail  
7 White received at that address was being returned to the sender. The carrier also reported that the  
8 property was vacant.

9           4.       On November 3, 2015, I spoke with a paralegal employed at Tiffany & Bosco, a  
10 local law firm that was attempting to locate and serve White with legal documents regarding civil  
11 litigation initiated by the firm against White. (Maricopa County Superior Court Case No. CV2015-  
12 004478, Complaint filed June 26, 2015, allegations include Securities Fraud). The firm had not  
13 been able to locate White. On February 2, 2016, default judgments of \$300,000 each were ordered  
14 against defendants White and Marchant. The plaintiffs in this matter are investors in the Division's  
15 case.

16           5.       On March 25, 2016, the *Notice of Opportunity for Hearing Regarding Proposed*  
17 *Order to Cease and Desist, Order for Restitution, Order for Administrative Penalties, and Order*  
18 *for Other Affirmative Action* ("Notice") regarding this matter was filed and docketed.

19           6.       On March 29, 2016, another attempt was made to serve White with the Notice at the  
20 Cave Creek, Arizona address. This attempt also failed, as no-one answered the door or doorbell.  
21 There were no vehicles in the driveway or in the street. Furniture was visible inside the structure,  
22 although no movement was noted inside or outside the property.

23           7.       Additionally, on March 29, 2016, attempts were made to locate and serve White and  
24 Marchant International Resources, Inc. ("Marchant") at two business addresses (2375 East  
25 Camelback Road, Suite 600, Phoenix, Arizona, and 7047 East Greenway Parkway, Suite 250,  
26 Scottsdale, Arizona) obtained in the course of this investigation. Investigation revealed these  
locations are both large office suites containing individual offices serviced by one receptionist.  
Receptionists at both locations advised Marchant was not a client, and no further information of  
value to this investigation was obtained at either location. White was not located.

          8.       On March 29, 2016, Marchant was successfully served the Notice by the personal  
deliverance of a copy to Statutory Agent Elba Nunez ("Nunez"), at 3843 Calavar Road, Phoenix,  
Arizona. Nunez reported that it had been several months since she had spoken with White. Nunez  
additionally advised she had no idea where White was residing at the present time.

          9.       The recent Clear public records searches shows White as the owner of a 2014  
Cadillac Escalade sports utility vehicle, at the Cave Creek, Arizona address referenced above.  
Upon information and belief, it appears the registration expired April 15, 2016. As of June 1, 2016,  
it appears that the registration had not been renewed. Another vehicle, registered at the same  
address, has been identified as being owned by White, a 2014 Hyundai four door sedan. The  
Division has learned that the Hyundai was seized in a forfeiture action in July of 2015. This  
occurred at the Cave Creek residence. Upon information and belief, White was the registered

1 owner of both vehicles at the Cave Creek address. No vehicles of any kind were observed during  
2 both attempts to serve White at the Cave Creek residence.

3 10. On April 4, 2016, Phoenix resident Bruce Kinkner ("Kinkner"), a long-time  
4 acquaintance of White's, was contacted. Kinkner advised he had not spoken to White or had any  
5 contact with White for a long time, and he had no idea as to White's current whereabouts.

6 11. On April 7, 2016, copies of the Notice were mailed to White to three separate  
7 addresses. One was sent to the Cave Creek, Arizona personal residence, and copies were also sent  
8 to Marchant to the two businesses addresses referenced in paragraph 7. The items were sent via  
9 United States Postal Service Certified Mail. All were subsequently returned to the Division, all  
10 bearing the notation *Return to Sender...Not Deliverable as Addressed...Unable to Forward*.

11 12. On April 11, 2016, Myles Bryson ("Bryson"), identified by the Division as the  
12 owner of the 6002 East Saguaro Vista Court, Cave Creek, Arizona, 85331-3489 property,  
13 confirmed that he was the owner, that White had been a previous tenant, that he had not seen White  
14 in months, that he had no idea where White was, that White owed him thousands of dollars, that we  
15 were about the thirtieth in line looking for White, that the IRS was included in the thirty, and that  
16 when we found White he would like to be notified. Bryson also left no doubt that he would like to  
17 see White punished to the fullest extent of the law.

18 13. On April 12, 2016, unsuccessful attempts were made to telephonically contact White  
19 at five separate telephone numbers. Two were obtained from the recent Clear research, and three  
20 were telephone numbers provided by individuals who had previously invested with White or who  
21 were associated with White.

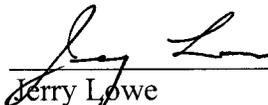
22 14. On April 14, 2016, the United States Postal Service reported that no forwarding  
23 information was available for White at the Cave Creek, Arizona address, nor at either of the  
24 business addresses in Phoenix, Arizona or Scottsdale, Arizona, referenced in paragraph 7.

25 15. The Maricopa County Assessor's Office website was checked, and there is no  
26 information listed for a Kenneth Thomas White (upon information and belief believed to be White's  
full legal name), or a Kenneth Thomas Whyte.

16 16. Internet searches have not been successful in locating the present whereabouts of  
17 White.

18 Further Affiant Sayeth Not.

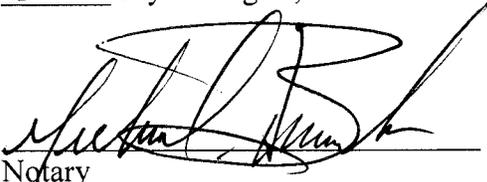
19 Date: 30 August 2016

20   
21 \_\_\_\_\_  
22 Jerry Lowe  
23 Special Investigator

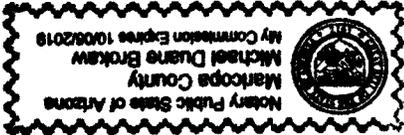
Subscribed and affirmed, or sworn to before me in the County of Maricopa, State of Arizona, this

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30<sup>th</sup> day of August, 2016.

  
Notary

My commission expires: 10/06/19



**Exhibit "B"**

