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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

DOUG LITTLE – Chairman
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In the matter of:

DOCKET NO. S-20984A-16-0315

COVERLUGG LLC, an Arizona limited liability company,

FONEFACE, LLC, an Arizona limited liability company,

BIRDIE MEDIA LLC, an Arizona limited liability company,

GREGORY J. SANCHEZ and JILL K. SANCHEZ, husband and wife,

Respondents.

**SECOND
PROCEDURAL ORDER
(Sets Pre-Hearing Conference)**

BY THE COMMISSION:

On September 9, 2016, 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 CoverLugg, LLC, FoneFace, LLC, Birdie Media, LLC, and Gregory J. Sanchez and Jill K. Sanchez (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 investment contracts and/or membership interests.

The spouse of Gregory J. Sanchez, Jill K. Sanchez (“Respondent Spouse”), is joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of the marital community.

Respondents were duly served with copies of the Notice.

On October 17, 2016, Gregory J. Sanchez filed a Request for Hearing pursuant to Arizona Administrative Code (“A.A.C.”) R14-4-306.

1 Accordingly, a pre-hearing conference should be scheduled.

2 IT IS THEREFORE ORDERED that a **pre-hearing conference** shall be held on **November**
3 **21, 2016, at 10:00 a.m.**, at the Commission's offices, 1200 West Washington Street, Hearing Room
4 No. 1, Phoenix, Arizona.

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

8 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
9 31, 38 and 39, and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

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

16 IT IS FURTHER ORDERED that each party or prospective party shall **refer to the Procedural**
17 **Order Regarding Consent to Email Service** issued in this matter on **October 18, 2016**, for additional
18 information regarding the process to consent to service by email. Information regarding Consent to
19 Email Service is also available on the Commission's website (www.azcc.gov) by clicking on "Email
20 Service Consent."

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

24 DATED this 18TH day of October, 2016.

25
26 
27 MARK PRENY
28 ADMINISTRATIVE LAW JUDGE

1 On this 18th day of October, 2016, the foregoing document was filed with Docket Control as a
2 Procedural Order – Sets a Pre-Hearing, and copies of the foregoing were mailed on behalf of the
3 Hearing Division to the following who have not consented to email service. On this date or as soon as
possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing
to the following who have consented to email service.

4 Gregory J. Sanchez
5 2223 West Pecos Road, # 8
6 Chandler, AZ 85224

7 Matthew Neubert, Director
8 Securities Division
9 ARIZONA CORPORATION COMMISSION
10 1200 West Washington Street
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Consented to Service by Email

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14 Rebecca Tallman
15 Assistant to Mark Preney
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