

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 JEFF HATCH-MILLER, Chairman
4 WILLIAM A. MUNDELL
5 MARC SPITZER
6 MIKE GLEASON
7 KRISTIN K. MAYES

8 In the matter of:)

9 Bruce R. Goldman, a married person,)
10 individually and doing business as Opulent)
11 Management Group, Bravura Management)
12 Group, Zanadu Construction, and/or The)
13 Opulent Group, a defunct Nevada corporation)
14 6668 West Oraibi Drive)
15 Glendale, Arizona 85308-7022)

16 Linda L. Goldman (aka Linda Mull and/or)
17 Linda Sanger), spouse of Bruce R. Goldman)
18 6668 West Oraibi Drive)
19 Glendale, Arizona 85308-7022)

20 Natasha Mull (aka NatashaGoldman), an)
21 unmarried woman)
22 7701 W Saint John Road)
23 Glendale, Arizona 85308)

24 Opulent Properties LLC, an Arizona limited)
25 liability company, dba Opulent Properties)
26 PO Box 11241)
27 Glendale, Arizona 85318-1241)

28 Mill Direct Flooring LLC, an Arizona limited)
29 liability company, dba Mill Direct Flooring)
30 P.O. Box 11241)
31 Glendale, Arizona 85318-1241)

32 The Loan Xperts, LLC, an Arizona limited)
33 liability company)
34 2226 North Northern Avenue, Suite C200)
35 Phoenix, Arizona 85021)

36 Respondents.)

Docket No. S-20429A-05-0833

**TEMPORARY ORDER TO CEASE AND
DESIST AND NOTICE OF OPPORTUNITY
FOR HEARING**

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NOTICE: THIS ORDER IS EFFECTIVE IMMEDIATELY
EACH RESPONDENT HAS 20 DAYS TO REQUEST A HEARING
EACH RESPONDENT HAS 30 DAYS TO FILE AN ANSWER

The Securities Division (“Division”) of the Arizona Corporation Commission (“Commission”) alleges that RESPONDENTS Bruce R. Goldman, a married person, individually and doing business as Opulent Management Group, Bravura Management Group, Zanadu Construction and/or The Opulent Group, a defunct Nevada corporation, Linda L. Goldman (aka Linda Mull and/or Linda Sanger), spouse of Bruce R. Goldman, Natasha Mull (aka Natasha Goldman), Opulent Properties LLC, an Arizona limited liability company, dba Opulent Properties, Mill Direct Flooring, LLC, an Arizona limited liability company, dba Mill Direct Flooring, and The Loan Xperts, LLC, an Arizona limited liability company engaged in or are about to engage in acts and practices that constitute violations of A.R.S. § 44-1801, *et seq.*, the Arizona Securities Act (“Securities Act”), and that the public welfare requires immediate action.

I.

JURISDICTION

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

II.

RESPONDENTS

2. Bruce R. Goldman (“Goldman”) is a married person whose last know address is 6668 West Oraibi Drive, Glendale, Arizona 85308-7022.

3. At all relevant times, Goldman has transacted business under the trade name “Opulent Management Group” which was registered with the Arizona Secretary of State on February 11, 2004 and whose last known business address is PO Box 11241, Glendale, Arizona 85318-1241. Pursuant to the records of the Arizona Secretary of State, Goldman is the owner of this trade name.

1 4. At all relevant times, Goldman has transacted business under the trade name
2 “Bravura Management Group” which was registered with the Arizona Secretary of State on April
3 18, 2005 and whose last known business address is 10640 North 29th Drive, Suite A106, Phoenix,
4 Arizona 85029. Pursuant to the records of the Arizona Secretary of State, Goldman is one of
5 owners of this trade name.

6 5. At all relevant times, Goldman has transacted business under the trade name
7 “Zanadu Construction” which was registered with the Arizona Secretary of State on February 3,
8 2004 and whose last known business address is PO Box 11241, Glendale, Arizona 85318-1241.
9 Pursuant to the records of the Arizona Secretary of State, Goldman is the owner of this trade
10 name.

11 6. The Opulent Group (“The Opulent Group”) was organized under the laws of the
12 state of Nevada on April 30, 1999 and whose last known business address is 6978 W. Villa
13 Chula, Glendale, Arizona 85310. The corporate status of The Opulent Group was revoked on
14 May 1, 2003. However, at all relevant times, Goldman has transacted business under name of the
15 defunct entity.

16 7. Linda L. Goldman (aka Linda Mull and/or Linda Sanger) (“Linda Goldman”) was at
17 all relevant times the spouse of Goldman. Linda Goldman is joined in this action individually and
18 under A.R.S. § 44-2031(C) for purposes of determining the liability of the marital community.

19 8. At all relevant times, Goldman and Linda Goldman were acting for their own
20 benefit, and for the benefit or in furtherance of the marital community.

21 9. Natasha Mull (aka Natasha Goldman) (“Mull”) is an unmarried person whose last
22 known address is 7701 W Saint John Road, Glendale, Arizona 85308.

23 10. Opulent Properties LLC (“Opulent Properties”) is an Arizona limited liability
24 company organized on February 11, 2004 and whose last known business address is P.O. Box
25 11241, Glendale, Arizona 85318-1241. Pursuant to the records of the Arizona Corporation
26

1 Commission, Corporations Division (“Corporations Division”), Mull is the manager of Opulent
2 Properties.

3 11. At all relevant times, Opulent Properties has transacted business under the trade
4 name “Opulent Properties” which was registered with Arizona Secretary of State on November
5 10, 2003. Pursuant to the records of the Arizona Secretary of State, Goldman and Linda
6 Goldman are the owners of this trade name.

7 12. Mill Direct Flooring LLC (“Mill Direct Flooring”) is an Arizona limited liability
8 company organized on February 11, 2004 and whose last known business address is P.O. Box
9 11241, Glendale, Arizona 85318-1241. Pursuant to the records of the Corporations Division,
10 Opulent Management Group is the manager of Mill Direct Flooring.

11 13. At all relevant times, Mill Direct Flooring has transacted business under the trade
12 name “Mill Direct Flooring” which was registered with Arizona Secretary of State on February
13 3, 2004. Pursuant to the records of the Arizona Secretary of State, Goldman and Linda Goldman
14 are the owners of this trade name.

15 14. The Loan Xperts, LLC (“The Loan Xperts”) is an Arizona limited liability
16 company organized on October 28, 2005 and whose last known business address is 2226 North
17 Northern Avenue, Suite C200, Phoenix, Arizona 85021. Pursuant to the records of the
18 Corporations Division, Linda Goldman is the manager of The Loan Xperts.

19 15. Goldman, Opulent Management Group, Bravura Management Group, Zanadu
20 Construction, The Opulent Group, Linda Goldman, Mull, Opulent Properties, Mill Direct
21 Flooring, and The Loan Xperts may be referred to individually or, collectively, as
22 “RESPONDENTS” as the context so requires.

23 **III.**

24 **FACTS**

25 16. RESPONDENTS are offering securities in the form of investment contracts in the
26 acquisition, improvement, and subsequent sale of certain real estate located in Arizona and Nevada.

1 17. RESPONDENTS inform offerees that there are two different programs in which
2 they may invest; the real estate is acquired in the name of one or more of the RESPONDENTS,
3 then (a) improved through repair or remodeling and sold to a third party (“Retail Property”), or (b)
4 briefly held by one or more of the RESPONDENTS (i.e., assumingly to appreciate in value) and
5 then sold to a third party (“Wholesale Property”). Upon consummation of the sale of the Retail
6 Property or Wholesale Property (“Property Transaction”), the investor is entitled to the return of
7 their original investment plus a percentage of the profits resulting from the Property Transaction
8 pursuant to a formula set forth in a written agreement entitled (“Investment Agreement”).

9 18. The rights of the investors set forth under the terms of the Investment Agreement
10 were not secured by a collateral lien in the real property subject to the Property Transaction.

11 19. Investors provide their funds at the time they execute the Investment Agreement.
12 RESPONDENTS do not require a minimum or set a maximum amount of money to participate in
13 either investment program.

14 20. The Retail Property or Wholesale Property is either identified at the time of
15 execution of the Investment Agreement or incorporated therein by later addendum (the
16 “Identified Property”).

17 21. In order to induce investment, RESPONDENTS inform offerees that a number of
18 Property Transactions have resulted in a profit. That claim is false. None of the Property
19 Transactions were ever consummated.

20 22. RESPONDENTS inform offerees that the Identified Property is owned by one or
21 more of the RESPONDENTS at the time of its disclosure or would subsequently be acquired by
22 one or more of the RESPONDENTS in order to complete the intended Property Transaction.
23 That claim is false. None of the Identified Property was owned by the RESPONDENTS at the
24 time it was disclosed under the relevant Investment Agreement or acquired by the
25 RESPONDENTS at a subsequent date.

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1 VI.

2 VIOLATION OF A.R.S. § 44-1991

3 (Fraud in Connection with the Offer or Sale of Securities)

4 32. In connection with the offer or sale of securities within or from Arizona,
5 RESPONDENTS directly or indirectly: (i) employed a device, scheme or artifice to defraud; (ii)
6 made untrue statements of material fact or omitted to state material facts which were necessary in
7 order to make the statements made not misleading in light of the circumstances under which they
8 were made; or (iii) engaged in transactions, practices or courses of business which operated or
9 would operate as a fraud or deceit upon offerees and investors. RESPONDENTS' conduct includes,
10 but is not limited to, the following:

11 a) informing offerees that a number of Property Transactions have resulted in
12 a profit when, in fact, none were ever consummated;

13 b) representing to offerees that the Identified Property is owned by one or
14 more of the RESPONDENTS at the time of its disclosure under the Investment
15 Agreement, or would subsequently be acquired by one or more of the RESPONDENTS in
16 order to complete the intended Property Transaction; and

17 c) using investor funds to pay profits, return original investments to investors,
18 and pay unauthorized business and personal expenses.

19 33. This conduct violates A.R.S. § 44-1991.

20 XII.

21 TEMPORARY ORDER

22 Cease and Desist from Violating the Securities Act

23 THEREFORE, based on the above allegations, and because the Commission has determined
24 that the public welfare requires immediate action,

1 IT IS ORDERED, pursuant to A.R.S. §§ 44-2032 and A.A.C. R14-4-307, that the
2 RESPONDENTS, their agents, servants, employees, successors, assigns, and those persons in active
3 concert or participation with them CEASE AND DESIST from any violations of the Securities Act.

4 IT IS FURTHER ORDERED that this Temporary Order to Cease and Desist shall remain in
5 effect for 180 days unless sooner vacated, modified or made permanent by the Commission.

6 IT IS FURTHER ORDERED that this Order shall be effective immediately.

7 **XIII.**

8 **REQUESTED RELIEF**

9 The Division will request that the Commission grant the following relief against
10 RESPONDENTS:

11 1. Order RESPONDENTS to permanently cease and desist from violating the
12 Securities Act pursuant to A.R.S. §44-2032;

13 2. Order RESPONDENTS to take affirmative action to correct the conditions resulting
14 from their acts, practices or transactions, including a requirement to make restitution pursuant to
15 A.R.S. §44-2032;

16 3. Order RESPONDENTS to pay the state of Arizona administrative penalties of up to
17 five thousand dollars (\$5,000) for each violation of the Securities Act, pursuant to A.R.S. § 44-2036;

18 4. Order that the marital community of Goldman and Linda Goldman be subject to any
19 order of restitution, rescission, administrative penalties, or other appropriate affirmative action
20 pursuant to A.R.S. § 25-215; and

21 5. Order any other relief that the Commission deems appropriate.

22 **XIV.**

23 **HEARING OPPORTUNITY**

24 RESPONDENTS may request a hearing pursuant to A.R.S. § 44-1972 and A.A.C. Rule 14-
25 4-307. **If any respondent or respondent spouse requests a hearing, the respondent must also**
26 **answer this Temporary Order and Notice.** A request for hearing must be in writing and received

1 by the Commission within 20 days after service of this Temporary Order to Cease and Desist. Each
2 RESPONDENT must deliver or mail the request for hearing to Docket Control, Arizona
3 Corporation Commission, 1200 West Washington, Phoenix, Arizona 85007. A Docket Control
4 cover sheet must also be filed with the request for hearing. A cover sheet form and instructions may
5 be obtained from Docket Control at (602) 542-3477 or on the Commission's Internet web site at
6 www.cc.state.az.us/utility/forms/index.htm.

7 If a request for hearing is timely made, the Commission shall schedule a hearing to begin 10
8 to 30 days from the receipt of the request unless otherwise provided by law, stipulated by the parties,
9 or ordered by the Commission. **Unless otherwise ordered by the Commission, this Temporary**
10 **Order shall remain effective from the date a hearing is requested until a decision is entered.**
11 After a hearing, the Commission may vacate, modify or make permanent this Temporary Order,
12 with written findings of fact and conclusions of law. A permanent Order may include ordering
13 restitution, assessing administrative penalties or other action.

14 If a request for hearing is not timely made, the Division will request that the Commission
15 make permanent this Temporary Order, with written findings of fact and conclusions of law, which
16 may include ordering restitution, assessing administrative penalties or other relief.

17 Persons with a disability may request a reasonable accommodation such as a sign language
18 interpreter, as well as request this document in an alternative format, by contacting Linda Hogan,
19 Executive Assistant to the Executive Secretary, voice phone number 602/542-3931, e-mail
20 lhogan@azcc.gov. Requests should be made as early as possible to allow time to arrange the
21 accommodation.

22 **XV.**

23 **ANSWER REQUIREMENT**

24 Pursuant to A.A.C. R14-4-305, if any RESPONDENT or RESPONDENT SPOUSE
25 requests a hearing, the RESPONDENT or RESPONDENT SPOUSE must deliver or mail an
26 Answer to this Temporary Order and Notice to Docket Control, Arizona Corporation Commission,

1 1200 W. Washington, Phoenix, Arizona 85007, within 30 calendar days after the date of service of
2 this Temporary Order to Cease and Desist and Notice of Opportunity for Hearing,. A Docket
3 Control cover sheet must accompany the Answer. A cover sheet form and instructions may be
4 obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet web site
5 at www.cc.state.az.us/utility/forms/index.htm.

6 Additionally, the RESPONDENT OR RESPONDENT SPOUSE, must serve the Answer
7 upon the Division. Pursuant to A.A.C. R14-4-303, service upon the Division may be made by
8 mailing or by hand-delivering a copy of the Answer to the Division at 1300 West Washington, 3rd
9 Floor, Phoenix Arizona, addressed to **Julie A. Coleman**, Assistant Chief Counsel of Enforcement.

10 The Answer shall contain an admission or denial of each allegation in this Temporary
11 Order and Notice and the original signature of each RESPONDENT, RESPONDENT SPOUSE or
12 the RESPONDENT's attorney. A statement of a lack of sufficient knowledge or information shall
13 be considered a denial of an allegation. An allegation not denied shall be considered admitted.

14 When a RESPONDENT or RESPONDENT SPOUSE intends in good faith to deny only a
15 part or a qualification of an allegation, the RESPONDENT or RESPONDENT SPOUSE shall
16 specify that part or qualification of the allegation and shall admit the remainder. The
17 RESPONDENT or RESPONDENT SPOUSE waives any affirmative defense not raised in the
18 answer.

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

21 BY ORDER OF THE ARIZONA CORPORATION COMMISSION, this 14th day of
22 November, 2005.

23 /s/ Mark Dinell
24 Mark Dinell
25 Assistant Director of Securities

26 (jc)