BEFORE THE DIVISION OF SECURITIES

OF THE DEPARTMENT OF COMMERCE

OF THE STATE OF UTAH

IN THE MATTER OF **PHILLIP THAYNE JESSEE** AND **GREAT SALT LAKE MORTGAGE, INC.**	**NOTICE OF** **PREHEARING CONFERENCE** **AND SCHEDULING ORDER** Case No. SD-05-0072 and SD-05-0073

BY THE ADMINISTRATIVE LAW JUDGE:

This adjudicative proceeding was initiated pursuant to the issuance of a November 16, 2005 notice of agency action. A December 19, 2005 hearing was scheduled to be conducted. Respondent Phillip Thayne Jessee - through legal counsel Brenda L. Flanders - filed a December 16, 2005 response. Ms. Flanders appeared for the December 19, 2005 hearing on behalf of Respondent.

Sparing extended detail, the parties agreed that the December 19, 2005 hearing should be continued. The Court entered a January 21, 2006 Scheduling Order to govern the initial course of this proceeding.

The Division filed a January 9, 2007 request for a prehearing conference. The Court then conducted that teleconference with Jeffrey S. Buckner, counsel for the Division and Ms. Flanders. The latter informed the Court and Mr. Buckner that she is no longer legal counsel for Respondent and that she

would file the notice of her withdrawal as counsel in this proceeding. That notice was filed January 16, 2007.

Mr. Buckner contacted the Court by electronic mail on February 1, 2007 and requested that a hearing date be rescheduled in this proceeding. The Court then attempted to conduct a February 9, 2007 prehearing teleconference with Mr. Buckner and Respondent. However, the Court was unable to directly contact Respondent at that time. The Court thus left a telephonic message, requesting that Respondent contact the Court to prompt a prehearing teleconference.

Respondent duly contacted the Court later on February 9, 2007 and the Court then conducted a prehearing teleconference with Mr. Buckner and Respondent at that time. Respondent informed the Court and Mr. Buckner that he was charged in a parallel criminal proceeding approximately four weeks ago and that he would be seeking an appointment of legal counsel in that case. Respondent also stated he expects to know if such an appointment will occur within the next two weeks.

Respondent thus informed the Court and Mr. Buckner that he would contact the Court by telephone within that time to provide notice of that matter and the Court could then address whether said counsel would also represent Respondent in this proceeding. Mr. Buckner informed the Court and Respondent that the Division intends to pursue this case during the pendency of the criminal

proceeding. The Court informed the parties that it would conduct another prehearing teleconference upon notice from Respondent by February 23, 2007.

Respondent did not contact the Court by February 23, 2007 and he did not contact the Court within any reasonable time thereafter. Mr. Buckner contacted the Court by electronic mail on April 9, 2007 and inquired as to the status of this case. Specifically, Mr. Buckner requested that a hearing date be set if the Court has not been contacted by Respondent. Mr. Buckner left similar messages for the Court on April 18, 2007, April 27, 2007 and May 10, 2007.

The Court contacted Mr. Buckner by telephone on May 10, 2007 and informed him that the Court had not been contacted by Respondent. Accordingly, the Court and Mr. Buckner identified a date (May 31, 2007) for an in-person prehearing conference to be conducted in this proceeding.

Mr. Buckner contacted the Court by electronic mail on May 22, 2007 and inquired whether written notice of that conference had been issued. The Court contacted Mr. Buckner by telephone on May 22, 2007. The Court informed Mr. Buckner that it has left messages for Respondent at both his work and home to contact the Court no later than May 22, 2007 or an in-person prehearing conference would be conducted on or about May 31, 2007.

Respondent made no subsequent contact with the Court. The

Court again left messages for Respondent on May 25, 2007 at both his work and home that an in-person prehearing conference would be conducted, commencing 9:00 a.m. on May 31, 2007 in Room 210 of the Heber M. Wells Building.

Respondent left a telephonic message for the Court at 1:25 p.m. on May 25, 2007. He thus stated that he lost his job three (3) months ago and that the work telephone number used by the Court is no longer applicable for him. Respondent also stated he would not be able to attend a May 31, 2007 in-person prehearing conference because of a scheduled surgery.

He also stated that he has been appointed legal counsel (Scott Wilson) through the Legal Defenders Association to represent him in the related criminal case. Respondent further stated he had provided this Court's telephone number to Mr. Wilson and he assumed that the latter had contacted the Court.

The Court reviewed the just-stated message and them contacted Respondent at a telephone number (643-9710) which he had indicated would be a better means by which to contact him. Upon the Court's inquiry, Respondent stated Mr. Wilson was appointed as his legal counsel on March 1, 2007 and that appointment was based on Respondent's indigency. Respondent also stated he would be available for a teleconference in this proceeding, commencing 9:00 a.m. on May 29, 2007.

The Court then contacted Mr. Wilson upon Respondent's

permission to do so. Mr. Wilson stated that his representation of Respondent is limited to the criminal case and he would not represent Respondent in this proceeding. Mr. Wilson also stated the criminal proceeding has not progressed to any great extent and that it would be some while before that matter might be resolved.

The Court then conducted a May 29, 2007 prehearing teleconference with Mr. Buckner and Respondent. The Court scheduled the Division's disclosure of the relevant and nonprivileged contents of its investigative file and its submission of any potential exhibits which it may intend to use in any subsequent hearing in this proceeding. It was understood that the Division's submission of a witness list would be scheduled when a hearing date has been set in this case.

The Court scheduled Respondent's submission of any possible exhibits. The Court also scheduled the next prehearing teleconference to be conducted in this proceeding. The Court indicated it would provide Respondent with both a copy of the November 16, 2005 Order to Show Cause, whereby this proceeding was initiated, and a December 16, 2005 response filed by Ms. Flanders on Respondent's behalf. The Court requested that Mr. Buckner locate the indictment for the related criminal case and provide a copy of that document to the Court.

Based on the foregoing, the Court entered an Order, the

terms of which are restated as follows:

ORDER

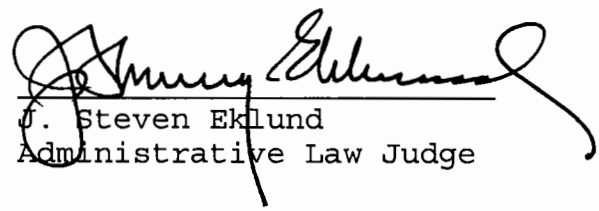
The Division shall provide the relevant and nonprivileged contents of its investigative file and any potential exhibits which it may intend to use during the hearing for this proceeding to Respondent no later than June 29, 2007. The Division's submission of a witness list will be scheduled when a hearing date is set. Respondent shall submit any possible exhibits to the Division no later than July 30, 2007.

The Court will conduct another prehearing teleconference with the parties, commencing 9:00 a.m. on August 2, 2007. During that conference, the Court will review the present status of the related criminal case. The Court will also address whether Respondent would seek a continuance of this proceeding pending the resolution of the related criminal case.

The Court notes it received a June 1, 2007 certificate of mailing from Mr. Buckner, which recites that he provided a true and correct copy of the Order to Show Cause, Notice of Agency Action and Response to the Order to Show Cause to Respondent as ordered by this Court. The June 1, 2007 certificate of mailing also recites that the Division provided a copy of the Criminal Information filed against Respondent, the Affidavit of Probable Cause, the Warrant of Arrest and the Affidavit for Search Warrant to Respondent.

Since the Division has provided the above-stated matters to Respondent, the Court will not also provide those pleadings to Respondent concurrent with the issuance of this Notice and Order. However, it was the Court's intention that the Division provide the above-stated documents from the related criminal case to the Court. Accordingly, the Division shall provide a copy of those documents to the Court within ten (10) days from the date of this Order.

Dated this 12th day of June, 2007.



J. Steven Eklund
Administrative Law Judge

MAILING CERTIFICATE

I hereby certify that on the 13TH day of June, 2007, a true and correct copy of the foregoing NOTICE OF PREHEARING CONFERENCE AND SCHEDULING ORDER was sent by first class mail and certified mail, postage prepaid, to the following:

Phillip Thayne Jessee
1310 South Cave Hollow Lane
Farmington UT 84028 CERTIFIED MAIL: 7005 1820 0003 7191 2985

A copy was hand delivered to:

Jeffrey S. Buckner, Assistant Attorney General
160 East 300 South 5th floor
PO Box 140872
Salt Lake City UT 84114-0872

Pamela Randlish