



BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

- JEFF HATCH-MILLER, Chairman
- WILLIAM A. MUNDELL
- MARC SPITZER
- MIKE GLEASON
- KRISTIN K. MAYES

IN THE MATTER OF:

DOCKET NO. S-03550A-04-0000

ARTHUR B. COOPER
 CRD # 1856331
 8025 E. Redwing
 Scottsdale, AZ 85250

LINDA EBINGER-COOPER
 CRD# 1353173
 8025 E. Redwing
 Scottsdale, AZ 85250

Respondents.

EIGHTH PROCEDURAL ORDER

BY THE COMMISSION:

On December 15, 2004, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Arthur B. Cooper and Linda Ebinger-Cooper (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of membership interests and/or investment contracts.

The Respondents were duly served with a copy of the Notice.

On December 29, 2004, a request for hearing was filed for Respondents.

On January 3, 2005, by Procedural Order, a pre-hearing conference was scheduled.

On February 3, 2005, pursuant to the Commission's Procedural Order, a pre-hearing conference was held with both the Division and Respondent represented by counsel. After a discussion concerning the possible number of witnesses and the evidence, it was agreed that a hearing should be scheduled in May, 2005. By Procedural Order, a hearing was scheduled for May 17, 2005.

On April 28, 2005, following a teleconference with the presiding Administrative Law Judge, the parties filed a stipulation to continue the hearing.

1 On May 2, 2005, by Procedural Order, the hearing was continued from May 17, 2005, to June
2 29, 2005.

3 On June 1, 2005, by Procedural Order, due to a scheduling conflict, it became necessary to
4 continue the commencement of this hearing to June 30, 2005.

5 On June 21, 2005, following a teleconference with the presiding Administrative Law Judge,
6 the parties filed a stipulation to continue the proceeding to a date after October 10, 2005, and to allow
7 for three days of hearing.

8 On June 22, 2005, by Procedural Order, the hearing was continued to October 11, 2005.

9 On September 27, 2005, the Division filed a Motion to Continue due to scheduling conflicts
10 which have arisen due to other pending court actions. Subsequently, by Procedural Order, the
11 proceeding was continued to November 1, 2005.

12 On October 28, 2005, Respondents' counsel filed a Motion to Continue ("Motion") the
13 hearing for at least 30 days because Respondents had recently filed a Chapter 13 proceeding in the
14 United States Bankruptcy Court in Phoenix, Arizona. The filing raised issues with respect to the
15 applicability of the automatic stay and the necessity of Respondents' counsel in the securities
16 proceeding to secure the approval of the Bankruptcy Court to represent the Coopers before the
17 Commission.

18 On October 31, 2005, the Division filed its Response in opposition to the Respondents'
19 Motion arguing that the automatic stay is not applicable to the Commission proceedings and that
20 Respondents' counsel has unduly delayed securing the Court's approval to represent the Respondents
21 before the Commission. Respondents' counsel in the bankruptcy proceeding cited case law and
22 argued that in a Chapter 13 proceeding, the Commission cannot proceed with its hearing without the
23 stay being lifted by the Court, and without Court approval being granted to Respondents' counsel in
24 the Commission's proceeding.

25 On November 2, 2005, by Procedural Order, the proceeding was continued as requested by
26 the Respondents to resolve the issues of the release of the automatic stay and for counsel for
27 Respondents to secure Court approval to represent Respondents in the Commission proceeding.

28 On November 30, 2005, the Division filed a Motion to Continue the proceeding to a date after

1 January 31, 2005, because the Division has not yet secured relief from the automatic stay in the
2 bankruptcy proceeding and Respondents' counsel has not yet secured Court approval to represent
3 them in the Commission proceeding.

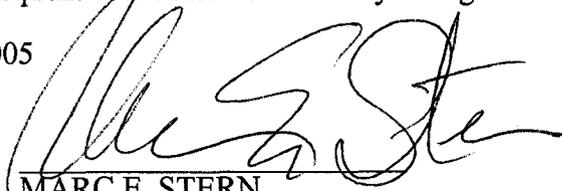
4 Accordingly, the Division's Motion to Continue should be granted.

5 IT IS THEREFORE ORDERED that the **hearing** shall be continued from December 5, 2005,
6 to **February 22, 2006**, at 9:30 a.m., at the Commission's offices, 1200 West Washington Street,
7 Phoenix, Arizona.

8 IT IS FURTHER ORDERED that the parties shall also set aside **February 23 and 24, 2006**,
9 for additional days of hearing, if necessary.

10 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
11 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

12 DATED this 15th day of December, 2005


13
14 **MARC E. STERN**
15 **ADMINISTRATIVE LAW JUDGE**

16 Copies of the foregoing mailed/delivered
17 this 15th day of December, 2005 to:

18 Mark D. Chester
19 CHESTER & SHEIN, P.C.
20 8777 N. Gainey Center Drive, Ste. 191
21 Scottsdale, AZ 85258-2106
22 Attorneys for Respondents

23 Matt Neubert, Director
24 Securities Division
25 ARIZONA CORPORATION COMMISSION
26 1300 West Washington Street
27 Phoenix, AZ 85007

28 ARIZONA REPORTING SERVICE, INC.
2627 N. Third Street, Ste. Three
Phoenix, AZ 85004

26
27 By: 
28 **Molly Johnson**
Secretary to Marc E. Stern