



BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission  
DOCKETED

OCT 04 2001

DOCKETED BY	<i>MCC</i>
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2  
3 WILLIAM A. MUNDELL  
4 Chairman  
5 JIM IRVIN  
6 Commissioner  
7 MARC SPITZER  
8 Commissioner

7 IN THE MATTER OF THE ) DOCKET NO. RS-00000A-01-0514  
8 )  
9 DELEGATION OF AUTHORITY TO THE ) DECISION NO. 64081  
10 DIRECTOR OF SECURITIES PURSUANT TO )  
11 A.R.S. §§ 44-1821 AND 44-3131 ) ORDER

10  
11 Open Meeting  
12 October 2-3, 2001  
13 Phoenix, AZ

14 BY THE COMMISSION:

15 The Securities Division (the "Division") of the Arizona Corporation Commission (the  
16 "Commission") has recommended to the Commission that it delegate to the Director of Securities  
17 (the "Director") certain authority under the Securities Act of Arizona (the "Securities Act"), A.R.S.  
18 § 44-1801 *et seq.*, the Arizona Investment Management Act (the "IM Act"), A.R.S. § 44-3101 *et*  
19 *seq.* (jointly hereinafter referred to as the "Acts"), and the rules in the Arizona Administrative  
20 Code promulgated under and governing the administration of the Acts, A.A.C. R14-4-101 *et seq.*  
21 and A.A.C. R14-6-101 *et seq.*, (collectively hereinafter referred to as the "Rules"); and

22 The Commission has the power to make such delegation of authority pursuant to A.R.S.  
23 §§ 44-1821(B) and 44-3131(B); and such delegation is convenient and necessary to the efficient  
24 administration of the Acts and Rules:

25 IT IS THEREFORE ORDERED, to the extent consistent with other provisions of this  
26 Order, that all authority granted to the Commission in the provisions of the Acts and Rules set  
forth below is hereby delegated to the Director:

- 1. A.R.S. § 41-192;

- 1           2.     A.R.S. §§ 44-1822 through 44-1824;
- 2           3.     A.R.S. § 44-1843(A)(6)(d);
- 3           4.     A.R.S. § 44-1843.01 and § 44-1844(C);
- 4           5.     A.R.S. § 44-1846(C);
- 5           6.     A.R.S. § 44-1850;
- 6           7.     A.R.S. § 44-1861 except as to rulemaking;
- 7           8.     A.R.S. § 44-1862 and § 44-1863;
- 8           9.     A.R.S. §§ 44-1872 and 44-1874;
- 9           10.    A.R.S. §§ 44-1876, 44-1877, and 44-1878;
- 10          11.    A.R.S. §§ 44-1893 and 44-1894 except as to the entry of formal agreements with  
11 the administrators of the securities laws of other states, Canada, Mexico, or the North American  
12 Securities Administrators Association;
- 13          12.    A.R.S. § 44-1897;
- 14          13.    A.R.S. §§ 44-1900 and 44-1901 except as to the issuance of orders under  
15 Subsection (L);
- 16          14.    A.R.S. §§ 44-1941 except as to rulemaking and the issuance of orders under  
17 Subsection (C), 44-1943, 44-1945 except as to rulemaking and the issuance of orders under  
18 Subsection (B), 44-1947, and 44-1948;
- 19          15.    A.R.S. § 44-1972 except as to the issuance of orders and rulemaking;
- 20          16.    A.R.S. §§ 44-2032(4) & (5);
- 21          17.    A.R.S. § 44-2122;
- 22          18.    A.R.S. § 44-3102;
- 23          19.    A.R.S. §§ 44-3132 and 44-3133;
- 24          20.    A.R.S. §§ 44-3153, 44-3155(B), 44-3156, 44-3157(B), 44-3158 except as to  
25 rulemaking, and 44-3159;
- 26          21.    A.R.S. § 44-3181;

- 1           22.    A.R.S. § 44-3212 except as to the issuance of orders and rulemaking;
- 2           23.    A.R.S. § 44-3271;
- 3           24.    A.R.S. §§ 44-3292(4) & (5);
- 4           25.    A.R.S. §§ 44-3321, 44-3322 except as to rulemaking, and 44-3323 except as to
- 5 rulemaking;
- 6           26.    A.R.S. § 44-3325.

7           IT IS FURTHER ORDERED that, except as otherwise provided in this Order, the  
8 Commission delegates to the Director its authority relating to the Rules. This delegation includes  
9 the authority to waive or abrogate any particular provisions of the Rules in any specific instance  
10 where the Director deems it advisable for the equitable administration of the law. The Director  
11 may issue temporary cease and desist orders pursuant to R14-4-307. This delegation constitutes  
12 the consent of the Commission as set forth in R14-4-307. Unless otherwise expressly ordered by  
13 the Commission, any subsequent amendments or addition to the Rules are included in this  
14 delegation.

15           Each time a waiver or abrogation of any provisions of the Rules under this delegation is  
16 authorized, the Director will distribute to the Commissioners a memorandum within three business  
17 days which describes which rule was waived or abrogated and what was the basis for such waiver  
18 or abrogation.

19           IT IS FURTHER ORDERED that the Director may subdelegate all or part of the foregoing  
20 authority to the Assistant Director of Securities (the "Assistant Director") with the exception of the  
21 authority to issue subpoenas unless the Assistant Director is an attorney. The Director, or the  
22 Assistant Director with the approval of the Director, may subdelegate all or part of the authority set  
23 forth in paragraphs 2 (only as to A.R.S. § 44-1824), 3, 4, 6, 7, 8 (only as to A.R.S. § 44-1862), 9,  
24 10, 11, 12, 13, 14, 17, 18, 20, 21, 25, and 26, and A.A.C. R14-4-101, R14-4-102, R14-4-105, R14-  
25 4-109, R14-4-119, R14-4-122, R14-4-124, R14-4-126, R14-4-127, R14-4-129, R14-4-134, R14-4-  
26 139, R14-4-144, R14-4-146, R14-4-147, R14-6-105, and R14-6-208 to the Director of Registration

1 and Compliance, except the authority to suspend, revoke, or deny an exemption. The Director may  
2 subdelegate all or part of the authority to issue subpoenas to attorneys who maintain supervisory  
3 positions in the Division.

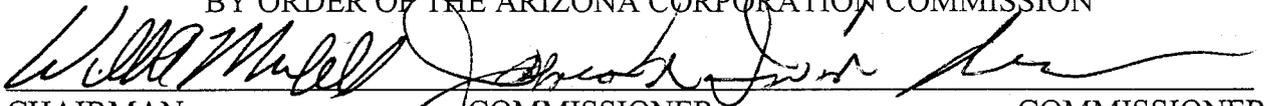
4 IT IS FURTHER ORDERED that the Director may, in his discretion, refer to the  
5 Commission for action any matter covered by this delegation.

6 IT IS FURTHER ORDERED that this Order supersedes all previous orders of the  
7 Commission delegating authority to the Director (except for delegations of authority made in  
8 Decision Numbers 60190 (May 16, 1997), 60192 (May 16, 1997), and 60251 (June 12, 1997)  
9 concerning Memorandums of Understanding entered into by the Securities Division relating to  
10 Securities Investigations Database, Coordinated Regulatory Initiatives regarding the Investment  
11 Advisory Industry, and Coordinated Review of Equity Securities Offerings) and is intended to set  
12 forth in a single document all such delegations of authority.

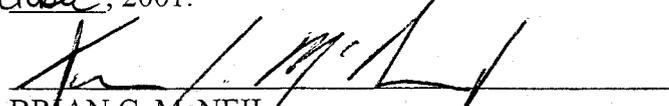
13 IT IS FURTHER ORDERED that nothing in this Order is to be construed in any way to  
14 restrict the powers of the Commission under A.R.S. §§ 44-1821 and 44-3131 at any future time to  
15 revoke any part of this Order or to rescind authority delegated to the Director.

16 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

17 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

18   
19 CHAIRMAN COMMISSIONER COMMISSIONER

20 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
21 Executive Secretary of the Arizona Corporation  
22 Commission, have hereunto set my hand and caused  
23 the official seal of this Commission to be affixed at  
24 the Capitol, in the City of Phoenix, this 4th day of  
October, 2001.

25   
26 BRIAN C. McNEIL  
Executive Secretary

DISSENT  
(ctf)

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This document is available in alternative formats by contacting Shelly M. Hood, ADA Coordinator, voice phone number 602-542-3931, E-mail [shood@cc.state.az.us](mailto:shood@cc.state.az.us).