



0000072258

25

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

2 CARL J. KUNASEK
CHAIRMAN
3 JIM IRVIN
COMMISSIONER
4 WILLIAM A. MUNDELL
COMMISSIONER

Arizona Corporation Commission

DOCKETED

2000 JUL 14 A 8:21

JUL 14 2000

AZ CORP COMMISSION
DOCUMENT CONTROL

5 IN THE MATTER OF:

DOCKETED BY	JM
-------------	----

DOCKET NO. S-03242A-99-0000

6 SAFARI MEDIA, INCORPORATED
7 1580 North Kolb, #200
Tucson, Arizona 85715

8 MARYANNE CHISHOLM
9 4056 N. West Fernhill Circle
Tucson, Arizona 85750

10 MARK FILLMORE CHISHOLM
11 4056 N. West Fernhill Circle
Tucson, Arizona 85750

12 THUC NGUYEN
13 300 Linda Vista Terrace
Freemont, California 94539

14 Respondents.

FOURTH
PROCEDURAL ORDER

15 **BY THE COMMISSION:**

16 On November 9, 1999, the Securities Division ("Division") of the Arizona Corporation
17 Commission ("Commission") filed a Temporary Order to Cease and Desist ("Temporary Order") and
18 Notice of Opportunity for Hearing Regarding Proposed Order for Relief ("Notice") against Safari
19 Media, Incorporated ("SMI"), Mrs. Maryann Chisholm, Mr. Mark Fillmore Chisholm, and Mr. Thuc
20 Nguyen in which the Division alleged multiple violations of the Securities Act in connection with the
21 offer and sale of securities in the form of shares of stock.

22 On November 26, 1999, SMI, Mrs. Maryann Chisholm and Mr. Mark Chisholm filed a
23 Request for Hearing ("Request") with respect to the Temporary Order and Notice.

24 On December 23, 1999, by Procedural Order, a pre-hearing conference was scheduled for
25 January 4, 2000.

26 On January 4, 2000, at the pre-hearing conference, the Division, SMI, Mr. and Mrs. Chisholm
27 entered in appearance through counsel. Discussions were had with regard to a possible settlement,
28

1 the presentation of evidence and other details concerning the proceeding. It was also confirmed that
2 Mr. Nguyen had not yet been served in California. Additionally, the Division indicated that it had
3 scheduled three Examinations Under Oath with respect to the proceeding and would be conducting
4 those in the near future. Counsel for Respondents, SMI and Mr. and Mrs. Chisholm, indicated that he
5 would be conferring with the Respondents with respect to filing a written stipulation to continue the
6 Temporary Order indefinitely pending a resolution of the proceeding. Lastly, the Division
7 acknowledged that service had not yet been made upon Mr. Thuc Nguyen.

8 On January 10, 2000, Respondents, SMI and Mr. and Mrs. Chisholm filed an agreement to
9 continue the Temporary Order indefinitely.

10 On January 11, 2000, the Commission issued a Procedural Order holding the proceeding in
11 abeyance pending the Division filing a Motion to schedule further proceedings.

12 On March 7, 2000, the Division filed an Affidavit of Service dated March 1, 2000, which
13 indicated that service had been made upon an employee of Mr. Nguyen at his place of business in Las
14 Vegas, Nevada.

15 On June 1, 2000, Mr. Nguyen, by counsel, filed a Motion to Dismiss for Lack of Personal
16 Jurisdiction ("Dismissal Motion"). Therein, Mr. Nguyen argued that the Temporary Order and
17 Notice should be dismissed as against Mr. Nguyen because "the Commission has not plead, and
18 cannot prove, sufficient facts to establish personal jurisdiction over Respondent in the State of
19 Arizona."

20 On June 14, 2000, the Division filed its Response to the Dismissal Motion. The Division
21 argued that Mr. Nguyen had sufficient minimum contacts in Arizona for the Commission to assert
22 personal jurisdiction over him without denying Mr. Nguyen his right to due process of law. In
23 support of its arguments, the Division attached seven exhibits to its Response that strongly bolstered
24 its position with respect to Mr. Nguyen.

25 On June 22, 2000, the Commission, by Procedural Order, ordered the following: that the
26 Dismissal Motion filed by Mr. Nguyen be denied; that Mr. Nguyen either file, within 20 days of the
27 Procedural Order, a request for hearing or be found in default; and that a pre-hearing conference be
28 held on July 12, 2000.

1 On July 12, 2000, a pre-hearing conference was held with counsel for all named Respondents
2 and the Division present. The Division provided copies of documents from a civil proceeding that
3 had been instituted on June 30, 2000, by the Arizona Attorney General's office and the Commission
4 against SMI and Mr. and Mrs. Chisholm that paralleled this proceeding in the Maricopa County
5 Superior Court. As a result of the Superior Court proceeding, a Temporary Restraining Order had
6 been issued in favor of the Attorney General and the Commission. The Court also ordered a stay on
7 other proceedings with the appointment of a receiver. Pursuant to the Superior Court's order, the
8 Division requested a stay on the proceeding against the Respondents in the Commission action.
9 Counsel for the respective Respondents concurred with Division's request.

10 Accordingly, the Division's request for a stay of the proceeding should be approved.

11 IT IS THEREFORE ORDERED that the above-captioned proceeding as against all named
12 Respondents shall be stayed until further Order by the Commission.

13 IT IS FURTHER ORDERED that the Securities Division shall request that a hearing be
14 scheduled if any further proceedings are to take place on this matter.

15 DATED this 13th day of July, 2000.

16
17
18 
19 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

20 Copies of the foregoing mailed/delivered
21 this 13th day of July, 2000 to:

22 Edward Novak
23 Darrow Soll
24 STREICH LANG
25 Two N. Central Avenue
26 Phoenix, Arizona 85004-2391
27 Attorneys for Safari Media, Inc.; Maryann Chisholm
28 and Mark Fillmore Chisholm

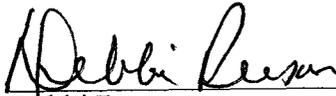
26 John C. Kirkland
27 BROWN RAYSMAN MILLSTEIN FELDER & STEINER LLP
28 1880 Century Park east, Suite 711
Los Angeles, California 90067

1 John N. Iurino
Todd Hale
2 LEWIS AND ROCA LLP
One South Church Avenue, Suite 700
3 Tucson, Arizona 85701-1611
Attorneys for Thuc Nguyen

4 Robert A. Zumoff
Assistant Attorney General
5 ARIZONA ATTORNEY GENERAL'S OFFICE
1275 West Washington Street
6 Phoenix, Arizona 85007

7 Mark Sendrow, Director
Securities Division
8 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
9 Phoenix, Arizona 85007

10 ARIZONA REPORTING SERVICE, INC.
2627 N. Third Street, Suite Three
11 Phoenix, Arizona 85004-1104

12 By: 
13 Debbi Person
14 Secretary to Marc E. Stern

15
16
17
18
19
20
21
22
23
24
25
26
27
28