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THE ARIZONA CORPORATION COMMISSION

2 COMMISSIONERS

- 3 MARC SPITZER, Chairman
- 4 JIM IRVIN
- 5 WILLIAM A. MUNDELL
- 6 JEFF HATCH-MILLER
- 7 MIKE GLEASON

Arizona Corporation Commission

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FEB 05 2003

AZ CORP COMMISSION DOCUMENT CONTROL

DOCKETED BY	
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6 IN THE MATTER OF:

DOCKET NO. S-03242A-99-0000

7 SAFARI MEDIA, INCORPORATED
 8 1580 North Kolb, #200
 9 Tucson, AZ 58715

Arizona Corporation Commission

DOCKETED

FEB - 5 2003

9 MARYANNE CHISHOLM
 10 4056 N. West Fernhill Circle
 11 Tucson, AZ 85750

11 MARK FILLMORE CHISHOLM
 12 4056 N. West Fernhill Circle
 13 Tucson, AZ 85750

DOCKETED BY	CAJ
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13 THUC NGUYEN
 14 300 Linda Vista Terrace
 15 Freemont, CA 94539

Respondents.

PROCEDURAL ORDER

16 BY THE COMMISSION:

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

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

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

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

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

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 pled, 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 the Division's request.

10 On July 13, 2000, by Procedural Order, the above-captioned proceeding against all named
11 Respondents was stayed until further Order by the Commission.

12 On January 29, 2003, the Division filed what was captioned "Motion to Dismiss Temporary
13 Administrative Order to Cease and Desist Without Prejudice" ("Motion to Dismiss without
14 Prejudice"). In support of its Motion to Dismiss without Prejudice, the Division stated that on
15 October 23, 2002, the Maricopa County Superior Court permanently enjoined Safari, and Mr. and
16 Mrs. Chisholm from violations of the Securities Act of Arizona, ordered that these same parties pay
17 approximately \$22,000,000 in restitution and ordered that the receivership initially established in this
18 matter be made permanent. In a separate proceeding, Nguyen pled guilty in Pima County to, *inter*
19 *alia*, conducting an illegal enterprise in connection with his role in the Safari operation, and he is
20 currently awaiting sentencing. Mr. and Mrs. Chisholm presently remain under indictment pertaining
21 to their respective roles with Safari.

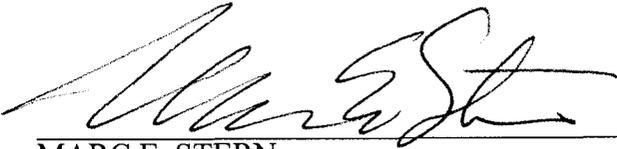
22 Since the Division believes that its allegations in this proceeding have now been addressed,
23 adjudicated, and remedied by the Superior Court's judgment, the Division believes that there exists
24 little purpose in seeking to revisit these same issues in this proceeding. However, because
25 Respondents Safari, and Mr. and Mrs. Chisholm have appealed the Superior Court's October 23,
26 2002 decision, the Division requests that the dismissal in this administrative proceeding should be
27 without prejudice. With this disposition, the current administrative action can conclude without
28 precluding the Division from pursuing a new administrative action in the event that the results from

1 other court proceedings are ultimately reversed or are otherwise modified.

2 Accordingly, the Division's request for a dismissal of the proceeding without prejudice should
3 be granted.

4 IT IS THEREFORE ORDERED that the above-captioned proceeding against Safari Media,
5 Incorporated, Maryanne Chisholm, Mark Chisholm and Thuc Nguyen be, and is hereby, dismissed
6 without prejudice.

7 DATED this 5TH day of February, 2003.



MARC E. STERN
ADMINISTRATIVE LAW JUDGE

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13 Copies of the foregoing were mailed/delivered
this 5 day of February, 2003, to:

14 Maryanne and Mark Chisholm
15 7049 East Tanque Verde Road, #397
Tucson, AZ 85715

16 Safari Media, Inc.
17 1580 North Kolb, Ste. 200
Tucson, AZ 85715

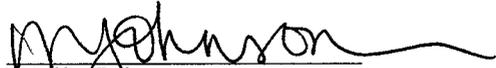
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2 Securities Division
3 ARIZONA CORPORATION COMMISSION
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6 By: 
7 Molly Johnson
8 Secretary to Marc E. Stern
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