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BEFORE THE ARIZONA CORPORATION COMMISSION JUL 25 P 2:23

COMMISSIONERS

MARC SPITZER, Chairman  
JIM IRVIN  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
MIKE GLEASON

AZ BOARD OF APPELLATE  
DOCUMENT CONTROL

IN THE MATTER OF THE.

DOCKET NO. S-03530A-03-0000

DOUGLAS SANCHEZ and KAREN SANCHEZ,  
husband and wife  
837 West Kiowa  
Mesa, AZ 85210

Arizona Corporation Commission

DOCKETED

JUL 25 2003

DMS POWER CASH FLOW, L.L.C.  
1125 W. Baseline, #2-3  
Mesa, AZ 85210

DOCKETED BY *car*

PERSANCO, L.L.C.  
1125 W. Baseline, #2-3  
Mesa, AZ 85210

**THIRD**  
**PROCEDURAL ORDER**

Respondents.

**BY THE COMMISSION:**

On April 18, 2003, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist Order, for Restitution, for Administrative Penalties, and For Other Affirmative Action ("Notice") against Douglas and Karen Sanchez, DMS Power Cash Flow, L.L.C. ("DMS") and Persanco, L.L.C. ("Persanco") (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 promissory notes, stock and investment contracts.

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

On April 25, 2003, a request for hearing was filed for Respondents.

On May 7, 2003, by Procedural Order, a pre-hearing conference was scheduled.

On May 22, 2003, pursuant to the Commission's Procedural Order, a pre-hearing conference was held with both the Division and Respondents represented by counsel. After a discussion

1 concerning the possible number of witnesses and the evidence, it was agreed that a hearing should be  
2 scheduled on July 28, 29 and 30, 2003.

3 On May 22, 2003, by Procedural Order, a hearing was scheduled to commence on July 28,  
4 2003.

5 On July 24, 2003, counsel for the Division and the Respondents telephonically requested that  
6 the proceeding be continued pending a resolution of the issues raised by the Notice.

7 Accordingly, the hearing should be continued, but it should be rescheduled immediately if a  
8 Consent Order is not concluded promptly.

9 IT IS THEREFORE ORDERED that the hearing scheduled on July 28, 2003 at 9:30 a.m.,  
10 shall be continued indefinitely.

11 IT IS FURTHER ORDERED that the Division shall promptly file a Motion to Schedule  
12 Hearing if a Consent Order is not concluded promptly and a hearing shall be scheduled immediately  
13 on the Notice.

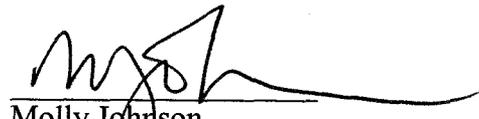
14 DATED this 25<sup>th</sup> day of July, 2003.

  
MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

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16  
17  
18 Copies of the foregoing mailed/delivered  
this 25 day of July, 2003 to:

19 Michael Salcido  
20 RENAUD, COOK & DRURY, P.A.  
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24 Attorneys for Respondents

25 W. Mark Sendrow, Director  
26 Securities Division  
27 ARIZONA CORPORATION COMMISSION  
28 1300 West Washington Street  
Phoenix, AZ 85007

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