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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

AUG 23 2007

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COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
GARY PIERCE

IN THE MATTER OF:

EDWARD A. PURVIS and MAUREEN H. PURVIS,
husband and wife
1231 West Shannon
Chandler, Arizona 85224

GREGG L. WOLFE and ALLISON A. WOLFE,
husband and wife
2092 West Dublin Lane
Chandler, Arizona 85224

NAKAMI CHI GROUP MINISTRIES
INTERNATIONAL, (a/k/a NCGMI), a Nevada
corporation sole
4400 North Scottsdale Road, Suite 9-231
Scottsdale, Arizona 85251

JAMES W. KEATON, Jr. and JENNIFER
KEATON, husband and wife
11398 East Whitehorn Drive, Apt. D
Scottsdale, Arizona 85255

ACI HOLDINGS, INC., a Nevada corporation
17650 North 25th Avenue
Phoenix, Arizona 85023

Respondents.

DOCKET NO. S-20482A-06-0631

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PROCEDURAL ORDER

BY THE COMMISSION:

On October 3, 2006, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity of Hearing ("Notice") against Edward A. and Maureen H. Purvis, husband and wife, Gregg L. and Allison A. Wolfe, husband and wife, Nakami Chi Group Ministries International aka NCGMI ("NCGMI"), James W. Keaton, Jr. and Jennifer Keaton, husband and wife, and ACI Holdings, Inc. ("ACI"), (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection

25

1 with the offer and sale of stock and investment contracts.

2 Respondents were duly served with copies of the Notice.

3 On October 11, 2006, Edward A. and Maureen H. Purvis filed a request for a hearing.

4 On October 16, 2006, James W. Keaton, Jr., Jennifer Keaton and ACI filed a request for a
5 hearing.

6 No requests for hearing have been filed on behalf of either Gregg and Allison Wolfe or
7 NCGMI.

8 On October 25, 2006, by Procedural Order, a pre-hearing conference was scheduled
9 November 16, 2006.

10 On November 16, 2006, counsel for the Division, counsel for Mr. and Mrs. Purvis and
11 counsel for Mr. and Mrs. Keaton and ACI appeared to discuss their relative positions in the
12 proceeding and whether a hearing should be scheduled. Counsel for the parties indicated that they
13 would prefer that a status conference be scheduled after certain matters are discussed with the
14 Division.

15 On November 17, 2006, by Procedural Order, a status conference was scheduled for
16 February 6, 2007.

17 On January 19, 2007, the Purvis Respondents filed a Notice of Videotaped Deposition.

18 On January 31, 2007, the Division filed a Motion to Quash the Purvis Respondents' Notice of
19 Videotaped Deposition.

20 On February 6, 2007, at the status conference, counsel for the Division, Mr. and Mrs. Purvis,
21 Mr. and Mrs. Keaton and ACI appeared to discuss the status of the proceeding and any pending
22 motions. Mr. and Mrs. Wolfe have not filed a response to the Notice and the Division indicates that
23 it will be filing a Default Order as to those Respondents. While the parties had been attempting to
24 resolve the matter without a hearing, they agreed upon setting a hearing date in mid-May 2007.

25 On February 7, 2007, by Procedural Order, a hearing was scheduled on May 14, 2007.

26 On March 16, 2007, the Division filed a Motion to Continue Hearing ("Motion") which states
27 one of the Division's witnesses will be unavailable and out of the country during the hearing
28 scheduled to begin on May 14, 2007. The Division further stated in its Motion that the witness would

1 be on a cruise and would not have ready access to a telephone. There were no objections to the
2 Division's Motion.

3 On April 3, 2007, by Procedural Order, the hearing was continued to June 11, 2007.

4 On May 16, 2007, the Division filed a Motion to Allow Telephonic Testimony. There were
5 no objections filed to this Motion.

6 On May 18, 2007, the Purvis Respondents filed a Motion for 90-Day Extension ("Purvis
7 Motion") which stated that Mr. Purvis had recently been indicted on charges related to this
8 proceeding and as a result "*has been unable to meet with counsel and effectively communicate with*
9 *him with respect to the preparation of the defense.*" The Purvis Motion alluded to a possible conflict
10 issue with respect to the Commission's counsel if called as a witness in the criminal proceeding and
11 also argued that the Commission's recently granting a continuance to the Division entitled the Purvis
12 Respondents to similar treatment as a matter of equity.

13 On May 22, 2007, the Division filed its Response to the Purvis Motion pointing out that the
14 criminal charges against Mr. Purvis do not relate to any of the securities violations alleged by the
15 Division in this proceeding. The Division further related that the 90-day continuance sought by the
16 Purvis Motion could ultimately cause an additional problem if a speedy trial was requested in the
17 criminal case and possibly result in delaying an order of restitution in the Commission's
18 administrative proceeding. Concluding its arguments, the Division argued that the Purvis Motion
19 amounted to a delaying tactic.

20 On May 30, 2007, by Procedural Order, the proceeding was continued to July 30, 2007, due to
21 the Commission, on May 25, 2007, scheduling an Open Meeting to commence on June 13, 2007, to
22 run through June 15, 2007, to act on the Recommended Opinion and Order in the pending Arizona
23 Public Service Company rate proceeding. This resulted in a scheduling conflict for the Commission
24 in the event that members of the Commission wished to participate in this proceeding.

25 On June 11, 2007, the Division filed a Request for a Scheduling Conference ("Request") due
26 to scheduling conflicts of many prospective witnesses in the proceeding scheduled to commence on
27 July 30, 2007.

28 ...

1 On June 18, 2007, a scheduling teleconference was held with counsel for the Division, Mr.
2 and Mrs. Purvis, Mr. and Mrs. Keaton and ACI in attendance. The respective counsel agreed that the
3 proceeding commence on September 4, 2007.

4 On June 19, 2007, by Procedural Order, the hearing was rescheduled to commence on
5 September 4, 2007. The parties were further ordered to reserve September 5, 6, 7, 10, 11, 12,
6 November 13, 14, 15 and December 3, 4, 5, and 6, 2007 for additional days of hearing, if necessary.

7 On July 18, 2007, the Commission issued Decision Nos. 69701 and 69702 approving Consent
8 Orders for ACI Holdings, Inc. and the Keaton Respondents, respectively.

9 On July 24, 2007, by Procedural Order, the Division's Motion to Allow Telephonic
10 Testimony was granted.

11 On July 25, 2007, the Division filed a request for a telephonic scheduling conference.

12 On August 2, 2007, a telephonic scheduling conference was held by the presiding
13 Administrative Law Judge with counsel for the Division and counsel for the Purvis Respondents.
14 They agreed to amend the hearing schedule to add October 1, 2 and 3, 2007 for additional hearing
15 dates and to delete the dates of December 3, 4, 5 and 6, 2007.

16 On August 6, 2007, by Procedural Order, the scheduled dates of hearing were amended as
17 agreed between the parties.

18 On August 16, 2007, the Purvis Respondents filed a "Request for Scheduling Conference and
19 Motion for Rescheduling Certain Days of Hearing" ("Request/Motion") which took issue with delays
20 encountered in securing documents pursuant to subpoena, certain other discovery issues and a
21 personal scheduling conflict which had arisen for Respondents' counsel. As a result, a teleconference
22 was scheduled on August 21, 2007.

23 On August 21, 2007, shortly before the teleconference, a fax was received from Respondents'
24 counsel which consisted of a copy of a letter from the Utah Army National Guard ("National Guard")
25 directing Mr. Purvis, an officer in the National Guard, to appear on September 8 and 9, 2007 for an
26 "Annual Muster Assembly" in Riverton, Utah. Subsequently, during the teleconference, it was
27 indicated that the issues raised in the Request/Motion had mostly been resolved except the new issue
28 with the National Guard commitment for Mr. Purvis and counsel's personal conflict. The proceeding

1 was recessed to allow the Division to investigate the possible conflict with Mr. Purvis' National
2 Guard obligation and was scheduled to resume on August 22, 2007.

3 On August 22, 2007, shortly before the teleconference was to resume, the Division's counsel
4 forwarded an E-mail from the commander of Mr. Purvis' National Guard unit which appears to
5 indicate that his commanding officer has excused him from his September 8 and 9, 2007 obligation
6 and rescheduled him to appear on October 13 and 14, 2007, which would not conflict with the
7 pending proceeding before the Commission. After arguing the issues, the proceeding was adjourned.

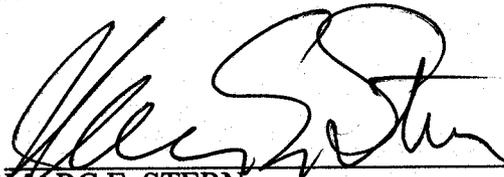
8 Under the circumstances, Respondents' Request/Motion fails to establish good cause for a
9 further continuance of this proceeding and the matter should proceed as previously scheduled in the
10 Commission's Eighth Procedural Order in this proceeding.

11 IT IS THEREFORE ORDERED that the Purvis Respondents' Request/Motion filed on
12 August 16, 2007, is hereby denied.

13 IT IS FURTHER ORDERED that all prior scheduled hearing dates shall remain in effect.

14 IT IS FURTHER ORDERED that the parties shall note that the hearing scheduled to
15 commence on September 4, 2007, at 10:00 a.m., shall be at the Commission's offices, 1200 West
16 Washington Street, Phoenix, Arizona

17 Dated this 23rd day of August, 2007.

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20 
21 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

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28 ...

1 Copies of the foregoing mailed/delivered
2 this 23rd day of August, 2007 to:

3 John Maston O'Neal
4 Zachary Cain
5 QUARLES & BRADY STEICH LANG, LLP
6 Renaissance One
7 Two North Central Avenue
8 Phoenix, Arizona 85004-2391
9 Attorneys for Edward A. Purvis and Maureen H. Purvis

7 Matt Neubert, Director
8 Securities Division
9 ARIZONA CORPORATION COMMISSION
10 1200 West Washington Street
11 Phoenix, AZ 85007

10 ARIZONA REPORTING SERVICE, INC.
11 2200 North Central Avenue, Suite 502
12 Phoenix, AZ 85004-1481

12
13 By: 
14 Debra Broyles
15 Secretary to Marc E. Stern
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