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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS:

KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

2009 SEP 30 A 8:20

ARIZONA CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

SEP 30 2009

DOCKETED BY [Signature]

IN THE MATTER OF:

ENERGETICS, INC., a Nevada corporation;
STEVEN P. GIUFFRIDA and MICHELLE
GIUFFRIDA, husband and wife;
RODNEY PETERSON and JANE DOE
PETERSON, husband and wife,

DOCKET NO. S-20648A-09-0010

RESPONDENTS.

**REVISED EIGHTH
PROCEDURAL ORDER
(VACATES HEARING -
SCHEDULES STATUS
CONFERENCE)**

BY THE COMMISSION:

On January 12, 2009, the Securities division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Energetics, Inc. ("Energetics"), Stephen P. Giuffrida and Michelle Giuffrida, husband and wife (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 notes and/or investment contracts.

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

On January 23, 2009, a request for hearing was filed by the Respondents.

On January 27, 2009, by Procedural Order, a pre-hearing conference was scheduled on February 25, 2009.

On February 25, 2009, the Division and Respondents appeared with counsel to discuss issues arising from the Notice and stipulated to a status conference being scheduled after certain documents were reviewed.

On February 26, 2009, by Procedural Order, a status conference was scheduled for April 2, 2009.

1 On March 24, 2009, counsel for Respondents filed an Application for Withdrawal as Counsel
2 of Record ("Application") pursuant to A.A.C. R14-3-104(E) and consistent with ER 1.16 stating that
3 Respondents had failed to meet their financial obligation for counsel's services. Counsel further
4 stated that he had provided notice to the Respondents of pending matters related to the case, such as
5 discovery, and the previously scheduled Examination Under Oath of Mr. Giuffrida. Notice of the
6 Application was also provided to Respondents.

7 On April 1, 2009, by Procedural Order, the Application of counsel was granted.

8 On April 2, 2009, the status conference was held with the Division present with counsel and
9 Mr. Giuffrida appeared on his own behalf. The Division indicated that the parties are attempting to
10 reach a resolution in the proceeding, and requested that another status conference be scheduled in
11 approximately 30 days.

12 On April 3, 2009, by Procedural Order, a status conference was scheduled on May 7, 2009.

13 On May 7, 2009, at the status conference, the Division appeared with counsel and attorney
14 Jeffrey Proper entered an appearance on behalf of the Respondents. The parties indicated that they
15 are attempting to resolve the issues in the proceeding and the Division requested that a hearing be
16 scheduled in the fall. By Procedural Order, a hearing was scheduled on October 13, 2009.

17 On July 15, 2009, the Division filed a Motion to Amend the Notice filed on January 12, 2009,
18 by adding Rodney and Jane Doe Peterson as Respondents.

19 On July 30, 2009, counsel for the Giuffrida Respondents and Energetics filed a response
20 indicating that they did not oppose the amendment of the Notice. Subsequently, by Procedural Order,
21 the Division's Motion to Amend the Notice was granted, and Rodney and Jane Doe Peterson,
22 husband and wife, were added as Respondents. It was further ordered that a hearing commence on
23 October 13, 2009, with additional days of hearing on October 14 and 15, 2009, if necessary.

24 On August 18, and 31, 2009, the Giuffrida Respondents and Energetics filed a request for
25 hearing and Answer to the Amended Complaint, respectively.

26 On September 3, 2009, by Procedural Order, it was ordered that all prior orders remain in
27 effect with respect to the commencement of the hearing and hearing dates.

28 On September 8, 2009, the Division and Giuffrida Respondents and Energetics filed a Joint

1 Stipulation to Continue Hearing and the Exchange of Witness Lists and Exhibits due to the joinder of
2 new Respondents and because the Division, pursuant to A.A.C. R14-4-303, required additional time
3 to publish the Notice in this proceeding and to allow time for the filing of a request for a hearing by
4 the newly-named Respondents. The parties further requested that a status conference be scheduled
5 after November 9, 2009, to allow for the publication of Notice and any subsequent request for
6 hearing.

7 On September 9, 2009, the Joint Stipulation was granted and the hearing date vacated along
8 with the related date for the exchange of documents and witness lists. A status conference was
9 scheduled on November 19, 2009.

10 On September 28, 2009, Respondent Rodney Peterson filed a request for hearing.

11 Accordingly, the newly added Respondent, Rodney Peterson, should be provided with notice
12 of the present status of the proceeding and notice of its currently scheduled status conference.

13 IT IS THEREFORE ORDERED that the Joint Stipulation is granted and the **hearing vacated.**

14 IT IS FURTHER ORDERED that the order to **exchange of copies of Exhibits and Witness**
15 **Lists by September 14, 2009**, is hereby vacated.

16 IT IS FURTHER ORDERED that a **status conference** shall be held as previously scheduled
17 on **November 19, 2009, at 9:30 a.m.** at the Commission's offices, 1200 West Washington Street,
18 Room 100, in Phoenix, Arizona.

19 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 – Unauthorized
20 Communications) is in effect and shall remain in effect until the Commission's Decision in this
21 matter is final and non-appealable.

22 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
23 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission
24 *pro hac vice*.

25 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
26 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
27 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation
28 to appear at all hearings and procedural conferences, as well as all Open Meetings for which the

1 matter is scheduled for discussion, unless counsel has previously been granted permission to
2 withdraw by the Administrative Law Judge or the Commission.

3 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
4 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
5 ruling at hearing.

6 DATED this 30th day of September, 2009.

7
8
9 
10 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed/delivered
12 this 30th day of September, 2009 to:

13 Jeffrey Proper
14 JEFFREY M. PROPER, PLLC
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21 Matt Neubert, Director
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Phoenix, AZ 85007

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25 2200 North Central Avenue, Suite 502
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26
27 By: 
28 Debra Broyles
Secretary to Marc E. Stern