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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

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AZ CORP COMMISSION
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Arizona Corporation Commission
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In the matter of:

DOCKET NO. S-20673A-09-0198

THOMAS S. BLACKWELL (CRD # 4370822)
and KIMBERLY BLACKWELL, husband and
wife,

TEAM HEAT, LLC, a terminated Arizona
limited liability company,

Respondents.

FIFTH
PROCEDURAL ORDER

BY THE COMMISSION:

On April 24, 2009, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Team Heat, L.L.C. ("THL") and Thomas S. Blackwell and Kimberly Blackwell, 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 investment contracts.

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

On May 20, 2009, a request for hearing was filed by the Blackwell Respondents.

On May 21, 2009, by Procedural Order, a pre-hearing conference was scheduled on June 29, 2009.

On June 15, 2009, counsel for Respondents filed a Motion for a Continuance of the pre-hearing conference due to a conflict with a previously scheduled matter in Coconino County.

On June 16, 2009, by Procedural Order, the proceeding was continued to July 23, 2009.

On July 23, 2009, the Division appeared with counsel and counsel for Respondent failed to appear. It was subsequently learned that Respondents' counsel had not received notice of the continuance due to an error in address of Respondents' counsel.

1 On August 17, 2009, during a teleconference between counsel for the respective parties,
 2 Respondents' counsel requested a brief continuance because Mr. Blackwell had moved out of
 3 Arizona, and his attorney had been unable to reach him to discuss a possible resolution of the
 4 proceeding or whether to withdraw his clients' request for a hearing or whether to proceed with the
 5 scheduling of a hearing on the issues raised in the Notice. Respondents' counsel was directed to
 6 make a filing in the form of a withdrawal of their request for hearing if his clients did not wish to
 7 proceed further to contest the proceeding or to enter into a settlement to resolve the issues, or in the
 8 alternative, to file an Answer in the proceeding by September 2, 2009, if the matter was to go forward
 9 with a hearing.

10 On August 18, 2009, by Procedural Order, the pre-hearing conference was continued to
 11 September 2, 2009, and the Respondents were ordered to file an Answer no later than September 2,
 12 2009, if either the matter was not settled or the Respondents did not withdraw their request for a
 13 hearing.

14 On September 2, 2009, prior to the start of the pre-hearing conference, counsel for the
 15 Respondents filed a Notice of Withdrawal of Request for a Hearing. At the pre-hearing conference,
 16 the Division appeared with counsel and was apprised of Respondents' filing to withdraw their request
 17 for a hearing.

18 Under the circumstances, the Division should proceed accordingly since the Respondents'
 19 withdrawal from the proceeding leaves them in default.

20 IT IS THEREFORE ORDERED that the Securities Division shall proceed with this matter as
 21 a default proceeding.

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

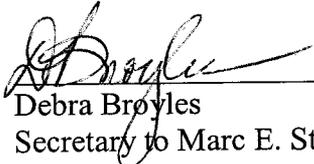
4 DATED this 9TH day of September, 2009.

5
6 
7
8 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

9
10 Copies of the foregoing mailed/delivered
11 this 9th day of September, 2009 to:

12 Kevin Jensen
13 LAW OFFICES OF KEVIN JENSEN, PLLC
14 3740 East Southern Avenue, Suite 210
Mesa, Arizona 85206
Attorneys for Respondents

15 Matt Neubert, Director
16 Securities Division
17 ARIZONA CORPORATION COMMISSION
18 1300 West Washington Street
Phoenix, Arizona 85007

19 By: 
20 Debra Broyles
21 Secretary to Marc E. Stern