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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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2 COMMISSIONERS

3 KRISTIN K. MAYES, Chairman  
4 GARY PIERCE  
5 PAUL NEWMAN  
6 SANDRA D. KENNEDY  
7 BOB STUMP

8 IN THE MATTER OF:

9 SECURE RESOLUTIONS, INC., an Arizona  
10 corporation,

11 DOUGLAS COTTLE and KYLA COTTLE,  
12 husband and wife,

13 Respondents.

DOCKET NO. S-20677A-09-0256

**FOURTH**  
**PROCEDURAL ORDER**

14 **BY THE COMMISSION:**

15 On May 21, 2009, the Securities Division ("Division") of the Arizona Corporation  
16 Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Secure  
17 Resolutions, Inc. ("SRI") and Douglas Cottle and Kyla Cottle, husband and wife (collectively  
18 "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act  
19 ("Act") in connection with the offer and sale of securities in the form of stock, notes, warrants and/or  
20 investment contracts.

21 The Respondents were duly served with copies of the Notice.

22 On June 8, 2009, a request for hearing was filed by the Respondents, Douglas and Kyla  
23 Cottle. A request for hearing was also filed on behalf of SRI, but it cannot be determined by whom  
24 the request was filed, whether it was by a company official or an attorney licensed to practice law in  
25 Arizona.

26 On June 12, 2009, by Procedural Order, a pre-hearing conference was scheduled on  
27 June 30, 2009.

28 On June 24, 2009, the Cottle and SRI Respondents filed a Motion for a Continuance in order  
to obtain legal counsel and to file an Answer. The Division did not object to this request.

On June 26, 2009, by Procedural Order, the pre-hearing conference was continued to  
July 23, 2009.

1 On July 23, 2009, at the pre-hearing conference, the Division appeared with counsel and  
2 Respondents appeared on their own behalf. The parties indicated that they are discussing a possible  
3 resolution of the proceeding by means of a Consent Order and requested that a status conference be  
4 scheduled in approximately 45 days. By Procedural Order, a status conference was scheduled on  
5 September 24, 2009.

6 On September 22, 2009, Notice of Appearance of counsel for Respondents was filed and  
7 subsequently corrected to indicate that only the Cottle Respondents were being represented by  
8 counsel.

9 On September 24, 2009, the Division and Cottle Respondents appeared through counsel.  
10 Counsel for the Division indicated that a settlement has not yet been concluded between the parties  
11 and requested that a status conference be scheduled in approximately 45 days. The parties also  
12 agreed to the scheduling of a hearing in February 2010 to last approximately two weeks, if they are  
13 unable to conclude a form of Consent Order for Commission approval.

14 Accordingly, dates for a status conference and hearing and other procedural matters should be  
15 ordered.

16 IT IS THEREFORE ORDERED that a **status conference** shall be held on **November 19,**  
17 **2009, at 10:00 a.m.**, or as soon thereafter as practicable, at the Commission's offices, 1200 West  
18 Washington Street, Room 100, Phoenix, Arizona.

19 IT IS THEREFORE ORDERED that a **hearing** shall be held on **February 8, 2010, at**  
20 **10:00 a.m.**, or as soon thereafter as practicable, at the Commission's offices, 1200 West Washington  
21 Street, Room 100, Phoenix, Arizona.

22 IT IS FURTHER ORDERED that the parties shall also set aside **February 9, 10, 11, 16, 17,**  
23 **and 18, 2010, for additional days of hearing**, if necessary.

24 IT IS FURTHER ORDERED that the **Division and Respondents** shall exchange copies of  
25 their **Witness Lists** and copies of their **Exhibits** by **January 8, 2010**, with courtesy copies provided  
26 to the presiding Administrative Law Judge.

27 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
28

1 Communications) applies to this proceeding as the matter is now set for public hearing.

2 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance  
3 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
4 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
5 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
6 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
7 Administrative Law Judge or the Commission.

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

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

14 DATED this 25<sup>TH</sup> day of September, 2009

15  
16  
17   
18 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

19  
20 Copies of the foregoing mailed/delivered  
this 25<sup>th</sup> day of September, 2009 to:

21 Douglas Cottle, President  
22 SECURE RESOLUTIONS  
P.O. Box 13475  
Mesa, Arizona 85216

Matt Neubert, Director  
Securities Division  
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Douglas and Kyla Cottle

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28 By:   
Debra Broyles  
Secretary to Marc E. Stern