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BEFORE THE ARIZONA CORPORATION C

COMMISSIONERS

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

Arizona Corporation Commission

DOCKETED

SEP 21 2010

2009 SEP 21 P 1:45

DOCKETED BY [Signature]

IN THE MATTER OF:

DOCKET NO. S-20707A-09-0498

MICHAEL T. BELL, a single man

SHAWN R. SALAZAR, a married man

ADAMAS INVESMENTS, LLC, a Nevada
limited liability company.

RESPONDENTS.

EIGHTH
PROCEDURAL ORDER
(Vacates Hearing)

BY THE COMMISSION:

On October 20, 2009, the Securities Division ("Division") of the Arizona Corporation
Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Michael
T. Bell, Shawn R. Salazar and Adamas Investments, LLC ("AIC") (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.

The Respondents were duly served with copies of the Notice.

On November 18, 2009, a request for hearing was filed by Respondents which included a
request for an additional two weeks to file their Answer.

On December 1, 2009, by Procedural Order, a pre-hearing conference was scheduled on
December 17, 2009, and leave granted to Respondents to file their Answer

On December 17, 2009, the Division and Respondents appeared through counsel. The parties
are discussing a resolution of the issues raised by the Notice and agreed to a status conference being
scheduled in approximately 45 days.

On December 17, 2009, by Procedural Order, a status conference was scheduled on February
4, 2010.

On February 4, 2010, the Division and Respondents appeared through counsel. The attorney

1 for Respondents indicated that he would be filing a Motion to Withdraw as their counsel. The
2 attorney for the Division did not object and requested that a status conference be scheduled in
3 approximately 30 days.

4 On February 10, 2010, counsel for the Respondents filed a Motion to Withdraw in compliance
5 with Rule 1.16 of the Rules of Professional Conduct.

6 On February 12, 2010, the Motion to Withdraw was granted and a status conference was
7 scheduled on March 31, 2010. However, the date for the status conference conflicts with a
8 previously scheduled Open Meeting of the Commission and the status conference must be continued.

9 On March 18, 2010, by Procedural Order, the status conference scheduled on March 31, 2010,
10 was continued to April 15, 2010.

11 On April 15, 2010, the status conference which was held as scheduled. The Division
12 appeared with counsel. Respondents appeared on their own behalf. The Division's counsel indicated
13 that the Division was attempting to resolve the proceeding, but requested that a hearing be scheduled
14 in the interim if a settlement was not reached with the parties and approved by the Commission.

15 On April 16, 2010, by Procedural Order, a hearing was scheduled to commence on July 6,
16 2010, and a dates established for the exchange of Witness Lists and copies of Exhibits.

17 On July 6, 2010, a public hearing was commenced before a duly authorized Administrative
18 Law Judge at the Commission's offices in Phoenix, Arizona. The Division appeared with counsel
19 and Respondents appeared with newly retained counsel. Although there had been recent attempts to
20 reach an agreement, a settlement had not yet been concluded. Additionally, counsel for the
21 Respondents indicated that while a settlement was possible he needed further time to review the
22 status of the proceeding. Therefore, counsel for the Respondents requested a continuance to both
23 explore the possible resolution of the proceeding by a settlement and to prepare for a hearing if a
24 Consent Order was not approved by the Commission.

25 On July 7, 2010, by Procedural Order, the hearing was continued to September 20, 2010.

26 On August 26, 2010, Respondents' counsel filed a Motion requesting a further continuance
27 until the week of October 12, 2010, due to unanticipated problems which have arisen in his schedule.
28 Counsel indicated that the parties are continuing to attempt to reach a settlement in the proceeding.

1 On August 27, 2010, counsel for Respondents filed a supplemental pleading in support of his
2 Motion.

3 On August 30, 2010, the Division filed a Response to the Motion of counsel for the
4 Respondents indicating that the parties had agreed that the matter be continued to September 30,
5 2010, and that additional days of hearing then be set as necessary.

6 On August 31, 2010, by Procedural Order, the proceeding was continued to September 30,
7 2010.

8 On September 20, 2010, the Division filed a Motion to Continue the hearing because the
9 Division and the Respondents had concluded a Consent Order to be submitted for Commission
10 approval at its Open Meeting scheduled on October 7, 2010. The \Division further indicated that it
11 would file a motion to reschedule the hearing if the Consent Order is not approved by the
12 Commission.

13 Accordingly, the hearing should be vacated.

14 IT IS THEREFORE ORDERED that **the hearing scheduled on September 30, 2010, is**
15 **hereby vacated.**

16 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
17 Communications) applies to this proceeding as the matter is now set for public hearing.

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

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

27 ...

28 ...

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

3 DATED this 21ST day of September, 2010.

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7 MARC E. STERN
8 ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered
10 this 21ST day of September, 2010 to:

11 Alan S. Baskin
12 BADE & BASKIN PLC
13 80 East Rio Salado Parkway, Suite 515
14 Tempe, AZ 85281-9106
15 Attorneys for Respondents

16 Matt Neubert, Director
17 Securities Division
18 ARIZONA CORPORATION COMMISSION
19 1300 West Washington Street
20 Phoenix, AZ 85007

21 ARIZONA REPORTING SERVICE, INC.
22 2200 North Central Avenue, Suite 502
23 Phoenix, AZ 85004

24 By: 
25 Debra Broyles
26 Secretary to Marc E. Stern
27
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