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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

2011 MAR 30 P 1:53

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

MAR 30 2011

DOCKETED BY [Signature]

IN THE MATTER OF:

DAVID E. WALSH AND LORENE WALSH,
Respondent and spouse, d/b/a New York Networks,
Inc., a dissolved Delaware corporation formerly
f/k/a Jubilee Acquisition Corporation and as Caliper
Acquisition Corporation, the New York Network
Inc., a revoked Nevada corporation and the New
York Networks, Inc., an entity of unknown origin,

CHRISTOPHER A. JENSEN AND JULIE
SHAYNE JENSEN, Respondent and spouse,

RODOLFO PRECIADO AND JANE DOE
PRECIADO, Respondent and spouse,

RESPONDENTS.

DOCKET NO. S-20726A-10-0062

EIGHTH
PROCEDURAL ORDER
(Continues Hearing)

BY THE COMMISSION:

On February 19, 2010, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against David E. Walsh And Lorene Walsh, husband and wife, d/b/a New York Networks, Inc. ("NYN"), a dissolved Delaware corporation formerly f/k/a Jubilee Acquisition Corporation ("JAC") and as Caliper Acquisition Corporation ("CAC"), the New York Network Inc., a revoked Nevada Corporation and the New York Networks, Inc., an entity of unknown origin, Christopher A. Jensen and Julie Shayne Jensen, husband and wife, Rodolfo Preciado and Jane Doe Preciado, 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 stock and warrants.

The Respondents were duly served with copies of the Notice.

On March 8, 2010, a request for hearing was filed by Respondents, Christopher A. Jensen, Julie Shayne Jensen and Rodolfo Preciado.

1 On March 18, 2010, by Procedural Order, a pre-hearing conference was scheduled on May 4,
2 2010.

3 On March 26, 2010, Respondent Linda Preciado filed a request for hearing and an Answer
4 was filed on behalf of the Jensen and Preciado Respondents.

5 On March 31, 2010, by Procedural Order, it was ordered that the a pre-hearing conference
6 should be held as previously scheduled

7 On May 4, 2010, the Division and the Jensen and Preciado Respondents appeared through
8 counsel. Although the Walsh Respondents have been served, they have not yet requested a hearing.
9 Counsel for the Division requested that a status conference be scheduled in approximately 60 days.

10 On May 5, 2010, by Procedural Order, a status conference was scheduled on June 22, 2010.

11 On June 14, 2010, pursuant to A.A.C. R14-4-305, Respondent, David E. Walsh, filed an
12 Answer on his own behalf. However, Respondent Walsh failed to request a hearing as required by
13 A.R.S. § 44-1972, and A.A.C. R14-4-406, a prerequisite to filing his Answer. Respondent Walsh's
14 failure to file a request for hearing can be cured if an extension of time is granted for leave which will
15 enable him to file his request.

16 On June 22, 2010, at the status conference, the Division appeared through counsel and the
17 Jensen and Preciado Respondents appeared through counsel who appeared telephonically. It was
18 determined that an additional status conference should be scheduled and Respondent Walsh be
19 granted an extension of time for leave to file a request for hearing pursuant to A.R.S. § 44-1972 if he
20 wants a hearing in this matter.

21 On June 30, 2010, by Procedural Order, Respondent Walsh was granted an extension of time
22 for leave to file a request for hearing until August 6, 2010, pursuant to A.R.S. § 44-1972 and A.A.C.
23 R14-2-306 if he wanted to request a hearing on the issues raised in the Notice and another status
24 conference was scheduled on August 26, 2010

25 On July 9, 2010, by Procedural Order, due to a scheduling conflict it became necessary to
26 continue the status conference scheduled on August 26, 2010, to September 30, 1020. Further,
27 Respondent David E. Walsh was granted an extension of time for leave to file his request for hearing
28 until August 6, 2010.

1 On August 2, 2010, Mr. Walsh filed a request for hearing pursuant to A.R.S. § 44-1972.

2 On September 30, 2010, at the status conference, the Division and the Jensen and Preciado
3 Respondents appeared through counsel. Mr. Walsh failed to enter an appearance. The Division's
4 counsel requested that a hearing be scheduled while he continued to attempt to settle the matter with
5 counsel for the Jensen and Preciado Respondents. Subsequently, by Procedural order, a hearing was
6 scheduled to commence on January 19, 2011, and an exchange of documentation was set for
7 December 17, 2010.

8 On December 28, 2010, the Jensen and Preciado Respondents filed a motion for a
9 continuance because their attorney is scheduled to be called as a witness in a proceeding in federal
10 court in California scheduled to commence on January 19, 2011, a day upon which this proceeding is
11 also scheduled to be heard. The motion which was filed by counsel for the Respondents indicated
12 that he had secured the Division's agreement to a continuance.

13 On January 4, 2011, by Procedural Order, the hearing was continued to April 4, 2011.

14 On March 30, 2011, the Jensen and Preciado Respondents filed an additional motion for a
15 continuance because Respondent Christopher Jensen had been scheduled for surgery on March 30th
16 and will require four to six weeks to recover and will be unable to travel. A letter from Mr. Jensen's
17 doctor was attached to the motion. The Respondents' motion indicates that the Division does not
18 oppose this motion.

19 Accordingly, the Respondents' request is reasonable and this proceeding should be continued.

20 IT IS THEREFORE ORDERED that a **hearing scheduled on April 4, 2011, shall be**
21 **continued to July 11, 2011, at 10:00 a.m.,** at the Commission's offices, 1200 West Washington
22 Street, Hearing Room 1, Phoenix, Arizona.

23 IT IS FURTHER ORDERED that the parties shall also set aside **July 12, 13 and 14, 2011,**
24 **for additional days of hearing,** if necessary.

25 IT IS FURTHER ORDERED that that the **Division and Respondents shall exchange copies**
26 **of their Witness Lists and copies of the Exhibits by December 17, 2010,** with courtesy copies
27 provided to the presiding Administrative Law Judge, as previously ordered.

28 ...

1 IT IS FURTHER ORDERED that **if the case is resolved by proposed Consent Orders**
2 **prior to the hearing, the Division shall file a Motion to Vacate the Proceeding.**

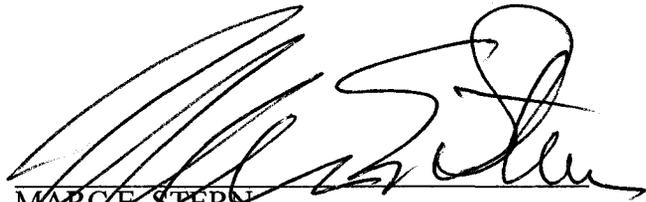
3 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
4 Communications) applies to this proceeding as the matter is now set for public hearing.

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

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

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

16 DATED this 30th day of March, 2011.

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MARCE STERN
ADMINISTRATIVE LAW JUDGE

24 Copies of the foregoing mailed/delivered
25 this 30th day of March, 2011 to:

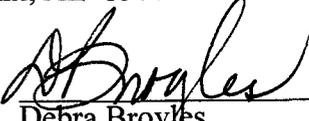
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19 By: 
20 Debra Broyles
21 Secretary to Marc E. Stern
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