

ORIGINAL



0000127565

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2011 JUL 15 A 10:57

AZ. CORP COMMISSION
DOCKET CONTROL

COMMISSIONERS

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

IN THE MATTER OF:

JOSEPH COSENZA;

U.S. MEDIA TEAM, LLC, an Arizona limited liability company;

THOMAS BRANDON and DIANE M. BRANDON, husband and wife;

CELL WIRELESS CORPORATION, a Nevada corporation, formerly known as U.S. SOCIAL SCENE, a Nevada corporation;

DAVID SHOREY and MARY JANE SHOREY, husband and wife;

RESPONDENTS.

DOCKET NO. S-20763A-10-0430

Arizona Corporation Commission
DOCKETED

JUL 15 2011

DOCKETED BY

FIFTH
PROCEDURAL ORDER
(Grants Motions)

BY THE COMMISSION:

On October 21, 2010, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against the following individuals and entities: Joseph Cosenza; U.S. Media Team, LLC, an Arizona limited liability company ("USMT"); Thomas Brandon and Diane M. Brandon, husband and wife; Cell Wireless Corporation, a Nevada corporation ("CWC"), formerly known as U.S. Social Scene, a Nevada corporation ("U.S.S.S."); and David Shorey and Mary Jane Shorey, 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 stock. The spouses ("Respondent Spouses") of Respondents Brandon and Shorey were joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of their respective marital communities.

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

2 On November 5, 2010, requests for hearing were filed by David and Mary Jane Shorey and by
3 David Shorey as CEO of CWC. Mr. Shorey indicated the he and his wife and CWC would be
4 retaining an attorney to represent them.

5 On November 15, 2010, Thomas Brandon filed a request for hearing on behalf of himself and
6 his wife Diane Brandon. Mr. Brandon indicated that he and his wife were in the process of retaining
7 an attorney to represent them in the proceeding.

8 On November 18, 2010, by Procedural Order, a pre-hearing conference was scheduled on
9 December 16, 2010.

10 On December 13, 2010, the Shoreys, Brandons and CWC filed requests for a continuance
11 stating they needed more time to secure counsel.

12 On December 15, 2010, the Division filed response in which it objected to the requests for a
13 continuance pointing out that Respondents had ample time to secure counsel.

14 On December 16, 2010, at the outset of the pre-hearing conference the requests for a
15 continuance were denied. The Division appeared with counsel and Mr. Shorey and Mr. Brandon
16 appeared on their own behalf. The Division was attempting to resolve the issues raised in the Notice
17 with the Respondents. In the interim, the Division requested that a status conference be scheduled
18 and the parties agreed to one being scheduled in February, 2011. Subsequently, by Procedural Order,
19 a status conference was scheduled on February 16, 2011.

20 On February 16, 2011, the Division appeared with counsel and Mr. Shorey and Mr. Brandon
21 appeared on their own behalf. The Division and Respondents who were present indicated that they
22 were continuing to attempt to settle the proceeding, but the Division requested that in the interim a
23 hearing be scheduled after April to avoid scheduling conflicts. Subsequently, by Procedural Order, a
24 hearing was scheduled to commence on May 10, 2011.

25 On March 22, 2011, counsel for Respondents CWC and Mr. and Mrs. Shorey filed a Motion
26 to Continue the hearing and proposed an alternate set of dates in July for the hearing. The
27 Respondents' Motion indicated that the Division had no objection to the Motion or its suggested
28 dates for the continuance.

1 On March 24, 2011, by Procedural Order, the hearing was continued from May 10, 2011, to
2 July 19, 2011.

3 On June 29, 2011, the Division filed a Motion to allow Telephonic Testimony citing the legal
4 standards required for approval. No objections were filed to this Motion.

5 On July 6, 2011, the Division filed a Notice of Dismissal of Respondent Andrea Benson.

6 On July 8, 2011, the Division filed a Motion to Amend the Caption in this proceeding by
7 removing Respondent Andrea Benson's name from the proceeding and stated that on December 7,
8 2006, a Decree of Legal Separation ("Decree") was issued with respect to Respondent Joseph
9 Cosenza and Ms. Benson. According to the Division, the date of the Decree occurred prior to the
10 alleged violations of the Act as stated in the Notice.

11 Under the circumstances, the Division's requests should be granted.

12 IT IS THEREFORE ORDERED that a **hearing shall held on July 19, 2011, at 10:00 a.m.**, at
13 the Commission's offices, 1200 West Washington Street, **Hearing Room 1**, Phoenix, Arizona, as
14 previously ordered.

15 IT IS FURTHER ORDERED that the parties shall also set aside **July 20 and 21, 2011, for**
16 **additional days of hearing**, if necessary, as previously ordered.

17 IT IS FURTHER ORDERED that the Division's Motion to Allow Telephonic Testimony is
18 hereby granted.

19 IT IS FURTHER ORDERED that effective with this Procedural Order Andrea Benson's
20 name shall be removed from the caption in this proceeding and where referenced previously.

21 IT IS FURTHER ORDRED that **if the case is resolved by a proposed Consent Order prior**
22 **to the hearing, the Division shall file a Motion to Vacate the proceeding.**

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

25 IT IS FURTHER ORDERED that withdrawal or 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 appearances
28 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is

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

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

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

8 DATED this 15th day of July, 2011.



MARC E. STERN
ADMINISTRATIVE LAW JUDGE

9
10
11
12
13 Copies of the foregoing mailed/delivered
this 15th day of July, 2011 to:

14 Bruce R. Heurlin
15 Kevin M. Sherlock
16 HEURLIN SHERLOCK PANAH
17 1636 North Swan Road, Suite 200
Tucson, AZ 85712-4096
Attorneys for Respondents David Shorey, Mary
Jane Shorey and Cell Wireless Corp.

18 Andrea Benson
19 4703 East Weaver Road
20 Phoenix, AZ 85050

21 Thomas L. Brandon
22 Diane M. Brandon
23 10206 East Desert Flower Place
Tucson, AZ 85749

24 Matt Neubert, Director, Securities Division
25 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
Phoenix, AZ 85007

26 ARIZONA REPORTING SERVICE, INC.
27 2200 North Central Avenue, Suite 502
28 Phoenix, AZ 85004

By: 
Debra Broyles
Secretary to Marc E. Stern