

ORIGINAL



0000130864

BEFORE THE ARIZONA CORPORATION COMMISSION  
RECEIVED

COMMISSIONERS

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

2011 NOV -1 P 3:13

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF:

DOCKET NO. S-20814A-11-0313

DAVID PAUL SMOOT and MARIE KATHLEEN SMOOT (a.k.a. "KATHY SMOOT"), husband and wife,

Arizona Corporation Commission

DOCKETED

NOV 1 2011

NATIVE AMERICAN WATER, L.L.C. (d.b.a. "NATAWA"), an Arizona limited liability company,

DOCKETED BY 

NATAWA CORPORATION (d.b.a. "NATAWA"), a Delaware corporation with a revoked authorization to conduct business in Arizona as a foreign corporation,

AMERICAN INDIAN TECHNOLOGIES INTERNATIONAL, L.L.C. (a.k.a. "AITI"), an Arizona limited liability company,

RESPONDENTS.

**PROCEDURAL ORDER**  
**(Schedules Pre-Hearing Conference)**

**BY THE COMMISSION:**

On October 20, 2011, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against the following individuals and entities: David Paul Smoot and Marie Kathleen Smoot aka Kathy Smoot, husband and wife; Native American Water, L.L.C., an Arizona limited liability company dba NATAWA ("NAW"); NATAWA Corporation, a Delaware corporation ("NATAWA"); and American Indian Technologies International, L.L.C., an Arizona limited liability company ("AITI") (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 debentures, notes, membership interests in limited liability companies and corporate stock.

The spouse ("Respondent Spouse") of Respondent David Smoot is joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of the marital

1 community.

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

3 On October 31, 2011, a request for hearing was filed on behalf of the Respondents.

4 Accordingly, a pre-hearing conference should be scheduled.

5 IT IS THEREFORE ORDERED that a **pre-hearing conference** shall be held on **November**  
6 **29, 2011, at 10:00 a.m.**, at the Commission's offices, 1200 West Washington Street, Room 100,  
7 Phoenix, Arizona.

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

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

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

19 IT IS FURTHER ORDERED that Respondent's request for discovery shall be taken under  
20 advisement.

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

23 DATED this 15<sup>th</sup> day of November, 2011.

24  
25  
26   
27 MARC E. STERN  
28 ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed/delivered  
2 this 15<sup>th</sup> day of November, 2011 to:

3 Michael D. Kimerer  
4 KIMERER & DERRICK, P.C.  
5 221 East Indianola Avenue  
6 Phoenix, AZ 85012  
7 Local Counsel for Respondents

8 Timothy J. Galligan  
9 LAW OFFICES OF TIMOTHY J. GALLIGAN  
10 5 Borealis Way  
11 Castle Rock, CO 80108  
12 Associate Counsel *Pro Hac Vice*

13 Matt Neubert, Director  
14 Securities Division  
15 ARIZONA CORPORATION COMMISSION  
16 1300 West Washington Street  
17 Phoenix, AZ 85007

18 ARIZONA REPORTING SERVICE, INC.  
19 2200 North Central Avenue, Suite 502  
20 Phoenix, AZ 85004

21 By:   
22 Debra Broyles  
23 Secretary to Marc E. Stern  
24  
25  
26  
27  
28