

OPEN MEETING AGENDA ITEM



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AZ CORP COMMISSION

BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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2012 FEB 15 PM 3 37

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

IN THE MATTER OF:

MAGLEV WIND TURBINE TECHNOLOGIES,
INC., a Nevada corporation,

MAGLEV RENEWABLE ENERGIES
RESOURCES, INC., a Wyoming corporation,

RENEWABLE ENERGY DEVELOPMENT,
INC., an Arizona corporation,

RENEWABLE ENERGY SYSTEMS, INC.,
an Arizona corporation,

EDWARD L. MAZUR and JANE DOE
MAZUR, husband and wife,

RONNIE WILLIAMS and JANE DOE
WILLIAMS, husband and wife,

MAG T INC., a Florida corporation,

RLGMAN CORP., a Florida corporation,

STABLE, LLC, an inactive Florida limited
liability company,

RICHARD L. GREEN, and

DONALD ANDREW ROTHMAN,

Respondents.

DOCKET NO. S-20788A-11-0096

Arizona Corporation Commission
DOCKETED

FEB 15 2012

DOCKETED BY

EIGHTH
PROCEDURAL ORDER
(Vacates Hearing and
Schedules Status Conference)

BY THE COMMISSION:

On March 1, 2011, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against the following entities and individuals: Maglev Wind Turbine Technologies, Inc., a Nevada corporation ("MWTT"); Maglev Renewable Energies Resources, Inc., a Wyoming corporation ("MRER"); Renewable Energy Development, Inc., an Arizona corporation ("RED"); Renewable Energy Systems,

1 Inc., an Arizona corporation (“RES”); Edward L. Mazur and Jane Doe Mazur, husband and wife;
2 Ronnie Williams and Jane Doe Williams, husband and wife; MAG T Inc., a Florida corporation
3 (“MAGT”); RLGMAN Corp., a Florida corporation (“RLGMAN”), Stable, LLC, an inactive Florida
4 limited liability company (“Stable”); Richard L. Green; and Donald Andrew Rothman (collectively
5 “Respondents”), in which the Division alleged multiple violations of the Arizona Securities Act
6 (“Act”) in connection with the offer and sale of securities in the form of investment contracts.

7 The Respondents were duly served with a copy of the Notice.

8 On March 31, 2011, requests for hearing in this matter were filed on behalf of Respondents,
9 MAGT, RLGMAN, Richard Green and Donald Rothman.

10 Counsel for Respondents, MAGT, RLGMAN, Green and Rothman further requested that he
11 be granted an additional three weeks to file an Answer due to his work load.

12 On April 15, 2011, by Procedural Order, a pre-hearing conference was scheduled, and leave
13 was granted for three weeks to allow for the filing of an Answer on behalf of MAGT, RLGMAN,
14 Green and Rothman.

15 On April 15, 2011, after the Commission had issued the above-referenced Procedural Order
16 scheduling this matter for a pre-hearing conference, on May 23, 2011, a request for hearing was filed
17 on behalf of the following Respondents: MWTT; MRER; RED; RES; Edward Mazur and Jane Doe
18 Mazur, husband and wife; and Ronnie Williams and Jane Doe Williams, husband and wife.

19 On April 19, 2011, by Procedural Order, all parties were advised of the pre-hearing
20 conference which had been previously scheduled.

21 On May 17, 2011, counsel for Respondents, MAGT, RLGMAN, Green and Rothman to filed
22 a request for leave to file their Answer by May 20, 2011. It was indicated that the Division had no
23 objections to the request.

24 On May 19, 2011, leave was granted to Respondents, MAGT, RLGMAN, Green and
25 Rothman to file their Answer by May 20, 2011.

26 On May 20, 2011, counsel for MAGT, RLGMAN, Green and Rothman filed a Request for
27 Hearing *nunc pro tunc* on behalf of Stable which had not been included on the March 31, 2011,
28 request which had been filed in the proceeding. Additionally, an Answer was filed on behalf of

1 MAGT, RLGMAN, Stable, Green and Rothman.

2 On May 23, 2011, at the pre-hearing conference, the Division and Respondents appeared
3 through counsel. Leave was granted to include Stable in the request for hearing. Counsel for the
4 Division indicated the Division and Respondents required 45 to 60 days to discuss the issues raised
5 by the Notice and if the proceeding was not settled, a status conference would be needed to schedule
6 a hearing.

7 On May 25, 2011, by Procedural Order, a status conference was scheduled incorrectly on
8 July 6, 2011.

9 On May 26, 2011, an amended Procedural Order was issued and the status conference was
10 rescheduled to July 26, 2011.

11 On July 25, 2011, counsel for the respective Respondents jointly filed a Request for
12 Continuance of the status conference scheduled on July 26, 2011, because one of the attorneys for the
13 Respondents and the Division's attorney were scheduled to be out of town and unable to attend. The
14 Respondents indicated that the Division did not oppose this request.

15 On July 26, 2011, by Procedural Order, the status conference was continued to August 15, 2011.

16 On August 15, 2011, the Division and Respondents appeared through counsel at the status
17 conference. The Division and Respondents indicated that they were continuing to attempt to settle
18 the proceeding, but agreed that a hearing should be scheduled in February or March 2012 to allow
19 time to review matters further and to avoid scheduling conflicts.

20 On August 19, 2011, by Procedural Order, a hearing was scheduled on February 21, 2012.

21 On January 9, 2012, the Division and Respondents filed a Joint Stipulation to extend the date
22 for the exchange of copies of their Witness Lists and copies of their Exhibits to February 10, 2011.

23 On January 10, 2012, by Procedural Order, pursuant to the Joint Stipulation, an extension was
24 granted to extend the date for the exchange of documentation to February 10, 2012.

25 On February 10, 2012, counsel for Respondents MWTT, MRER, RED, Edward L. Mazur and
26 Jane Doe Mazur, and Ronnie Williams and Jane Doe Williams filed a Motion to Withdraw and
27 Continue the Hearing ("Motion"). Therein, he asserted that a conflict had arisen between his clients
28 and he could not jointly represent them. Attached to his Motion were the signed consents of his

1 individual clients and on behalf of the corporate entities. Further, counsel requested that the hearing
2 be continued and a status conference be scheduled to allow the clients sufficient time to retain new
3 counsel who could participate in scheduling new deadlines to exchange documentation and to
4 schedule a new hearing date. Additionally, counsel indicated that the Division did not oppose the
5 Motion.

6 On February 13, 2012, the Division filed a proposed Consent Order with respect to the
7 remaining Respondents in the proceeding to be considered by the Commission at its February 23,
8 2012, Open Meeting.

9 Accordingly, the present hearing date should be vacated and a status conference scheduled.
10 The exchange of documentation should also be delayed.

11 **IT IS THEREFORE ORDERED that the hearing scheduled to commence on February 21,**
12 **2012, is hereby vacated and the exchange of documentation delayed.**

13 **IT IS FURTHER ORDERED that a status conference shall be held on March 12, 2012, at**
14 **2:00 p.m., at the Commission's offices, 1200 West Washington Street, Hearing Room No. 2,**
15 **Phoenix, Arizona**

16 **IT IS FURTHER ORDERED that if the parties reach a resolution of the issues raised in**
17 **the Notice prior to the status conference, the Division shall file a Motion to Vacate the**
18 **proceeding.**

19 **IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized**
20 **Communications) is in effect and shall remain in effect until the Commission's Decision in this**
21 **matter is final and non-appealable.**

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

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 the Presiding Administrative Law Judge may rescind, alter,
4 amend or waive any portion of this Procedural Order either by subsequent Procedural Order or by
5 ruling at hearing.

6 DATED this 15TH day of February, 2012

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10 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed/delivered
12 this 15th day of February, 2012 to:

13 Douglas F. Behmn
14 DOUGLAS F. BEHM, PLLC
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Scottsdale, AZ 85260
Attorney for Respondents RLGMAN Corp.,
MAG T Inc., Stable, LLC, Richard L. Green,
and Donald Andrew Rothman

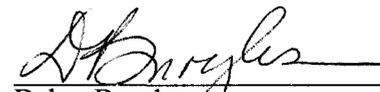
16 Brian J. Schulman
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18 Edward Mazur
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28 By: 
Debra Broyles
Secretary to Marc E. Stern