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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

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Arizona Corporation Commission

DOCKETED

MAR 15 2012

DOCKETED BY [Signature]

IN THE MATTER OF:

DOCKET NO. S-20803A-11-0187

KENT M. AXTELL, individually and doing
business as Sherlock Homes and Finding
Homes for Investors, and JANIS C. AXTELL,
husband and wife;

EXECUTIVE REAL ESTATE SOLUTIONS,
L.L.C., an Arizona limited liability company,

RESPONDENTS.

FIFTH
PROCEDURAL ORDER
(Continues the Exchange of
Documentation)

BY THE COMMISSION:

On May 2, 2011, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Kent M. Axtell, individually and dba Sherlock Homes and Finding Homes for Investors, and Janis C. Axtell, husband and wife, and Executive Real Estate Solutions, L.L.C., an Arizona limited liability company ("Executive") (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 investment contracts.

Respondent's spouse was named in the action solely for purposes of determining the liability of the marital community pursuant to A.R.S. § 44-2031(C).

The Respondents were duly served with copies of the Notice.

On May 20, 2011, a request for hearing was filed by Respondents.

On May 23, 2011, by Procedural Order, a pre-hearing conference was scheduled on June 20, 2011.

On June 2, 2011, counsel for the Respondents filed a Motion to Continue the pre-hearing conference stating that he would be unavailable on the scheduled date. Counsel requested that the

1 pre-hearing conference be scheduled after July 1, 2011. Subsequently, the Division filed a response
2 indicating that it had no objection to the request for a continuance.

3 On June 27, 2011, by Procedural Order, the pre-hearing conference was continued from
4 June 20, 2011, to July 7, 2011.

5 On July 7, 2011, the Division and Respondents appeared through counsel. The parties were
6 discussing a resolution of the issues raised by the Notice. In the interim, the Division requested that a
7 status conference be scheduled in the beginning of September.

8 On July 8, 2011, by Procedural Order, a status conference was scheduled on September 8,
9 2011.

10 On September 8, 2011, at the status conference, the Division and Respondents appeared with
11 counsel. The Division's counsel indicated that additional documents are being gathered so that the
12 parties will be in a better position to negotiate a settlement of the proceeding, but more time will be
13 required for a resolution of the issues raised by the Notice. The Division and Respondents agreed
14 that a hearing should be scheduled in April 2012 if a settlement cannot be reached.

15 On September 9, 2011, by Procedural Order, a hearing was scheduled on April 16, 2012, and
16 the exchange of documentation scheduled on March 9, 2012.

17 On March 8, 2012, the Division and Respondents filed a stipulation to continue the date for the
18 exchange of copies of their Witness Lists and copies of their Exhibits to on or before March 30, 2012.

19 Accordingly, the stipulation filed by the parties should be approved as agreed.

20 **IT IS THEREFORE ORDERED** that a **hearing** shall be held on **April 16, 2012, at 10:00 a.m.**,
21 at the Commission's offices, 1200 West Washington Street, Hearing Room No. 2, Phoenix, Arizona, as
22 previously ordered.

23 **IT IS FURTHER ORDERED** that the parties shall also set aside **April 17, 18 and 19, 2012, for**
24 **additional days of hearing**, if necessary, as previously ordered.

25 **IT IS FURTHER ORDERED** that the **Division and Respondents shall exchange copies of their**
26 **Witness Lists and copies of their Exhibits on or before March 30, 2012**, with courtesy copies
27 provided to the presiding Administrative Law Judge as stipulated by the parties.

28 **IT IS FURTHER ORDERED** that **if the parties reach a resolution of the issues raised in the**

1 **Notice prior to the hearing, the Division shall file a Motion to Vacate the proceeding.**

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

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

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

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

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

17 DATED this 15TH day of March, 2011.

18
19 
20 _____
MARC E. STERN
ADMINISTRATIVE LAW JUDGE

21 Copies of the foregoing mailed/delivered
22 this 15th day of March, 2011 to:

23 Jeffrey M. Proper
24 JEFFREY M. PROPER, PLLC
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Attorneys for Respondents

26 Matt Neubert, Director
27 Securities Division
28 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
Phoenix, AZ 85007

By: 

Debra Broyles
Secretary to Marc E. Stern