

ORIGINAL

OPEN MEETING AGENDA ITEM



0000137821

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

JUL 12 2012

2012 JUL 12 A 9:49

SECURITIES COMMISSION
DOCKET CONTROL

DOCKETED BY *JM*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COMMISSIONERS

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

In the matter of:

SOUTHWEST BIOFUELS, LLC, a Nevada limited liability company, and

RICK J. JIMINEZ and SUSAN C. JIMINEZ, husband and wife,

Respondents.

DOCKET NO. S-20834A-12-0033

SEVENTH
PROCEDURAL ORDER
(Vacates Hearing)

BY THE COMMISSION:

On January 30, 2012, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Southwest Biofuels, LLC ("SWB"), a Nevada limited liability company, and Rick J. Jiminez and Susan C. Jiminez, 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.

Respondent spouse, Susan C. Jiminez, was joined in the action for the purpose 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 T.O. and Notice.

On February 17, 2012, Respondents filed a request for hearing in this matter.

On February 21, 2012, by Procedural Order, a pre-hearing conference was scheduled on March 14, 2012.

On March 14, 2012, at the pre-hearing conference, the Division and Respondent, Rick J. Jiminez, appeared with counsel. The Division and Respondents were discussing the issues raised by the T.O. and Notice. The Division requested that a status conference be scheduled in approximately 30 days.

1 On March 15, 2012, by Procedural Order, a status conference was scheduled on April 26, 2012.

2 On April 26, 2012, at the status conference, the Division and Respondents appeared through
3 counsel. The Division's counsel indicated that the parties are continuing to negotiate a settlement of
4 the proceeding, but more time will be required for a resolution of the issues raised by the Notice. The
5 Division and Respondents agreed that a hearing should commence on July 23, 2012 if a settlement
6 cannot be reached.

7 On April 26, 2012, by Procedural Order, a hearing was scheduled on July 23, 2012, and the
8 exchange of documents was ordered to be completed by June 1, 2012.

9 On May 29, 2012, the Division and Respondents filed a stipulation to extend the date for the
10 exchange of documentation from June 1, 2012, to June 22, 2012, because the parties had anticipated
11 that a settlement of the proceeding would be concluded before June 22, 2012, and submitted for
12 Commission approval.

13 On May 30, 2012, by Procedural Order, the date for the exchange of documentation by the
14 Division and Respondents was extended to June 22, 2012.

15 On June 20, 2012, the Division and Respondents filed a second stipulation to extend the date
16 for the exchange of documentation from June 22, 2012, to July 6, 2012, because the parties
17 anticipated that a settlement of the proceeding would be concluded before July 6, 2012, and
18 submitted for Commission approval.

19 On June 22, 2012, by Procedural Order, leave was granted for the extension for the exchange
20 of documentation to July 6, 2012

21 On July 3, 2012, the Division and Respondents filed a third stipulation to extend the date for
22 the exchange of documentation from July 6, 2012, to July 11, 2012, because the parties anticipated
23 that a settlement of the proceeding would be concluded before July 6, 2012, and submitted for
24 Commission approval. Subsequently, by Procedural Order, the date for the extension for the
25 exchange of documentation was extended to July 11, 2012.

26 On July 12, 2012, the Division filed a Motion to Vacate the hearing in this matter scheduled
27 on July 23, 2012, because a proposed Consent Order has been filed for Commission approval at its
28 next Open Meeting.

Accordingly, the hearing should be vacated.

1 IT IS THEREFORE ORDERED that the hearing scheduled on July 23, 2012, is hereby vacated.

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

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

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

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

17 DATED this 12TH day of July, 2012.



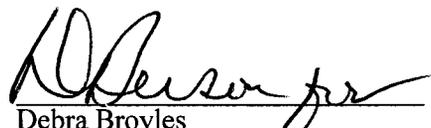
MARC E. STERN
ADMINISTRATIVE LAW JUDGE

21 Copies of the foregoing mailed/delivered
22 this 12th day of July, 2012 to:

23 Nathaniel H. Wadsworth
24 ROWLEY CHAPMAN BARNEY &
25 BUNTROCK, LTD.
26 63 East Main Street, Suite 501
27 Mesa, AZ 85201-7436
28 Attorney for Respondents

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

ARIZONA REPORTING SERVICE, INC.
2200 North Central Avenue, Suite 502
Phoenix, AZ 85004-1481

By: 
Debra Broyles
Secretary to Marc E. Stern