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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
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COMMISSIONERS

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

In the matter of:

DOCKET NO. S-20837A-12-0061

OUT OF THE BLUE PROCESSORS, LLC,
an Arizona limited liability company, d/b/a
Out of the Blue Processors II, LLC; and

MARK STEINER (CRD #1834102) and
SHELLY STEINER, husband and wife,

Respondents.

FIFTH
PROCEDURAL ORDER
(Continues Status Conference)

BY THE COMMISSION:

On February 22, 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 Out of the Blue Processors, LLC ("OBP"), an Arizona limited liability company dba Out of the Blue Processors II, LLC, and Mark Steiner and Shelly Steiner, 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 certificates of interest or investment contracts.

Respondent spouse, Shelly Steiner, 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 March 14, 2012, Respondents filed a request for hearing in this matter.

On March 15, 2012, by Procedural Order, a pre-hearing conference was scheduled on April 12, 2012.

On April 10, 2012, Respondents' counsel filed a Motion to Continue the pre-hearing conference because his client was out of the country on business and was not expected to return until the end of the month. It was indicated that Division did not oppose the motion.

1 On April 11, 2012, by Procedural Order, the pre-hearing conference was continued to May
2 16, 2012.

3 On May 16, 2012, the Division and Respondents appeared with counsel. Counsel for the
4 Division indicated that the parties were discussing the issues raised by the T.O. and Notice, and
5 requested that a status conference be scheduled in approximately 60 days. Respondents agreed with
6 the Division's request to schedule a status conference. Subsequently, by Procedural Order, a status
7 conference was scheduled on July 19, 2012.

8 On July 19, 2012, the Division and Respondents appeared through counsel at the status
9 conference. Counsel for the Division indicated that the parties are continuing to discuss the issues
10 raised by the T.O. and Notice, and are attempting to reach a settlement in the proceeding. In the
11 interim, the Division requested that another status conference be scheduled in approximately 60 days.
12 Respondents agreed with the Division's request to schedule a status conference.

13 On July 20, 2012, by Procedural Order, a status conference was scheduled on October 4,
14 2012.

15 On October 1, 2012, Respondents filed a Motion to Vacate the status conference scheduled on
16 October 4, 2012, until after October 24, 2012, because Respondent, Mark Steiner, has been out of the
17 country and unable to meet with counsel. Additionally, a meeting has been scheduled between the
18 parties. The Division has no objections to this request.

19 Accordingly, the status conference should be continued.

20 IT IS THEREFORE ORDERED that **the status conference shall be continued from**
21 **October 4, 2012, to November 6, 2012, at 10:00 a.m.**, at the Commission's offices, 1200 West
22 Washington Street, Hearing Room No. 1, Phoenix, Arizona.

23 IT IS FURTHER ORDERED that **the Division shall file a Motion to Vacate the status**
24 **conference if a settlement is reached prior to the status conference.**

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

28 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules

1 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
2 *pro hac vice*.

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

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

12 DATED this 4th day of October, 2012.

13
14
15
16 
17 MARC E. STERN
18 ADMINISTRATIVE LAW JUDGE

19 Copies of the foregoing mailed/delivered
20 this 4th day of October, 2012 to:

21 Arthur P. Allsworth
22 7501 North 16th Street, Suite 200
23 Phoenix, AZ 85020-4677
24 Attorney for Respondents

25 Matt Neubert, Director
26 Securities Division
27 ARIZONA CORPORATION COMMISSION
28 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