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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

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JAN 24 2013

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In the matter of:

MARK DANA HUGHES, CRD#1843511,
and DOLLY A. HUGHES, husband and wife,

and

LEGACY FINANCIAL ADVISORS, L.L.C.,
CRD# 114029, an Arizona limited liability
company,

Respondents.

DOCKET NO. S-20864A-12-0439

**SECOND
PROCEDURAL ORDER
(Schedules Status Conference)**

BY THE COMMISSION:

On October 17, 2012, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Mark Dana Hughes and Dolly A. Hughes, husband and wife, and Legacy Financial Advisors, L.L.C. ("LFA") (collectively "Respondents"), in which the Division alleged multiple violations of the Investment Management Act ("IMA") in connection with his conduct as an investment adviser representative while not licensed or in compliance with the IMA and by committing fraud in the provision of his services.

The spouse ("Respondent Spouse") of Respondent Mark Hughes was joined in the action pursuant to A.R.S. §§ 44-2031(C) and 44-3291 solely for the purpose of determining the liability of the marital community.

The Respondents were duly served with copies of the Notice.

On November 2, 2012, a request for hearing was filed on behalf of the Respondents.

On November 6, 2012, by Procedural Order, a pre-hearing conference was scheduled on November 20, 2012.

On November 20, 2012, at the pre-hearing conference, the Division appeared through counsel.

1 Mr. Hughes appeared on his own behalf, and it was indicated that his spouse had a schedule conflict
2 with the proceeding and could not attend. At that time, counsel for the Division stated the parties
3 were discussing a possible settlement of the proceeding.

4 On December 10, 2012, the Division filed a request for a status conference to be scheduled
5 because Mr. and Mrs. Hughes had filed for bankruptcy in the United States Bankruptcy Court in
6 Tucson, Arizona.¹ Respondent LFA was not named as a party in the bankruptcy filing. The Division
7 indicated that it has attempted to contact Respondents concerning settlement, but has not received any
8 response.

9 Accordingly, a status conference should be scheduled.

10 IT IS THEREFORE ORDERED that a **status conference** shall be held on **February 14, 2013,**
11 **at 11:00 a.m.,** at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1,
12 Phoenix, Arizona.

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

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

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

24 ...

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28 ¹ On December 5, 2012, a Notice of Bankruptcy was filed with the Commission.

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

3 DATED this 24th day of January, 2013.

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6 
7 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed/delivered
9 this 24th day of January, 2013 to:

10 Mark Dana Hughes
11 Dolly Anna Hughes
12 LEGACY FINANCIAL ADVISORS, L.L.C.
4549 North Camino Campero
Tucson, AZ 85750

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

16 ARIZONA REPORTING SERVICE, INC.
17 2200 North Central Avenue, Suite 502
Phoenix, AZ 85004

18 By: 
19 Debra Broyles
20 Secretary to Marc E. Stern

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