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BEFORE THE ARIZONA CORPORATION

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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In the matter of:

DOCKET NO. S-20855A-12-0393

MORRIE S. FRIEDMAN and
JUDITH ANN FRIEDMAN
husband and wife;

Respondents.

FOURTH
PROCEDURAL ORDER
(Vacates Hearing)

BY THE COMMISSION:

On September 4, 2012, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Morrie S. Friedman and Judith Ann Friedman, 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.

On October 26, 2013, the Division filed an Amended Notice against the Respondents.

The spouse ("Respondent Spouse") of Respondent Morrie S. Friedman is joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of the marital community.

The Respondents were duly served with copies of the Amended Notice.

On December 14, 2012, Morrie S. Friedman and Judith Ann Friedman filed requests for hearing in this matter.

On January 10, 2013, the Division filed a Motion to Set a Status Conference.

On February 6, 2013, by Procedural Order, a pre-hearing conference was scheduled on March 6, 2013.

On February 21, 2013, counsel for Respondents filed a "Motion to Vacate and Re-set Prehearing Conference" stating that he had a scheduling conflict with the prehearing conference

1 scheduled on March 6, 2013. Additionally it was stated that a 30 day continuance would facilitate an
2 Examination Under Oath ("EUO") of Mr. Freidman by the Division. Respondents' counsel also
3 indicated that the Division was in agreement with the motion.

4 On February 26, 2013, by Procedural Order, the pre-hearing conference was continued to
5 April 23, 2013.

6 On April 23, 2013, the Division and Respondents appeared through counsel. The parties
7 indicated that they were discussing a possible resolution of the proceeding, but agreed that hearing
8 should be scheduled in the interim.

9 On April 26, 2013, by Procedural Order, a hearing was scheduled on September 23, 2013.

10 On July 29, 2013, the Division and Respondents filed a Joint Stipulation to Vacate the
11 Hearing because the Commission approved a Consent Order at their Open Meeting on July 17, 2013.

12 Accordingly, the hearing should be vacated.

13 IT IS THEREFORE ORDERED that the **hearing** scheduled on **September 23, 2013, is**
14 **hereby vacated.**

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

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

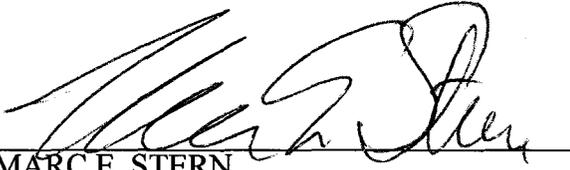
21 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
22 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
23 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
24 at all hearings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

27 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
28 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by

1 ruling at hearing.

2 DATED this 29th day of July, 2013.

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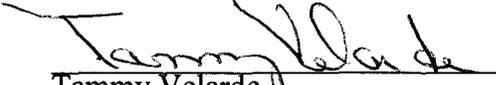

MARC E. STERN
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered
this 29th day of July, 2013 to:

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By: 
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