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THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

SUSAN BITTER SMITH, Chairman
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2015 JUL 15 P 2:19

AZ CORP COMMISSION
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In the matter of:

CONCORDIA FINANCING COMPANY,
LTD, a/k/a "CONCORDIA FINANCE,"
ER FINANCIAL & ADVISORY SERVICES,
L.L.C.,
LANCE MICHAEL BERSCH, and
DAVID JOHN WANZEK and LINDA
WANZEK, husband and wife,

Respondents.

DOCKET NO. S-20906A-14-0063

**RESPONDENT CONCORDIA
FINANCE'S MOTION FOR
SETTLEMENT CONFERENCE**

(EXPEDITED RULING REQUESTED)

Arizona Corporation Commission

DOCKETED

JUL 15 2015

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This matter is rapidly approaching a long, expensive hearing. After cooperating with the Securities Division since shortly after the initial Notice was filed, abstaining from virtually all of the direct and parallel attacks on the Commission made by its Co-Respondents, voluntarily providing additional documents and testimony that led to additional allegations against some of the other Respondents, and meeting with the Division to discuss resolution, Concordia made a settlement offer. In response, the Division refused to make a counteroffer or any other settlement proposal. Given that Concordia does not face any allegations of violations of the antifraud provisions of the Securities Act and that there is a readily identifiable potential restitution figure, Concordia has long thought that the allegations against it can be resolved. This motion seeks some help towards that end.

BASKIN RICHARDS PLC
2901 North Central Avenue
Suite 1150
Phoenix, AZ 85012
TELEPHONE NO 602-812-7979
FACSIMILE 602-595-7800

1 Concordia asks the Judge to set a settlement conference, as it fears that the hearing,
2 subsequent briefing, and potential appellate proceedings will further deplete the scarce funds
3 remaining with Concordia to the detriment of the noteholders, and further delay any recovery.
4 Pursuant to A.A.C. R14-3-108, the Judge can schedule a prehearing conference to expedite and
5 coordinate a number of matters, including "such other matter which may expedite orderly conduct
6 and disposition of the proceedings *or settlements thereof.*" (Emphasis added.) That rule is
7 consistent with Arizona Rule of Civil Procedure 16.1, which authorizes the judicial officer to order
8 the parties to participate in a settlement conference and also applies should Rule 14-3-108 not be
9 interpreted as a direct authorization to order a settlement conference. A.A.C. Rule 14-3-101(A).
10

11 A settlement conference is in the public interest, most specifically in the interest of the very
12 noteholders discussed in the Division's Amended Notice of Opportunity for Hearing. As the
13 Amended Notice notes, Concordia is a company that for years now has fought insolvency so it
14 could attempt to meet its obligations to the noteholders to whom it may be ordered to pay
15 restitution if it does not prevail in this proceeding. Assuming that the Division is successful,
16 forcing a hearing will only take money out of the pockets of noteholders through unnecessary
17 expense and delay. It is in the interests of the public and all parties that the Judge mandate a
18 settlement process, either by holding a settlement conference, or if it deems it more appropriate
19 asking the Chief Administrative Law Judge to designate another Commission Judge to conduct the
20 settlement conference.
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RESPECTFULLY SUBMITTED this 15th day of July, 2015.

BASKIN RICHARDS PLC



By _____
Alan S. Baskin
David E. Wood
2901 North Central Avenue, Ste. 1150
Phoenix, Arizona 85012
Attorneys for Respondent
Concordia Finance

ORIGINAL and thirteen copies of the foregoing
filed this 15th day of July, 2015 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

COPY of the foregoing hand-delivered
this 15th day of July, 2015 to:

Matthew J. Neubert
Director of Securities
Securities Division
Arizona Corporation Commission
1300 W. Washington Street, 3rd Floor
Phoenix, AZ 85007

Hearing Officer
Hearing Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

COPY of the foregoing e-mailed and mailed
this 15th day of July, 2015 to:

BASKIN RICHARDS PLC
2901 North Central Avenue
Suite 1150
Phoenix, AZ 85012
TELEPHONE NO 602-812-7979
FACSIMILE 602-595-7800

BASKIN RICHARDS PLC
2901 North Central Avenue
Suite 1150
Phoenix, AZ 85012
TELEPHONE NO 602-812-7979
FACSIMILE 602-595-7800

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James Burgess
Securities Division
Arizona Corporation Commission
1300 W. Washington, 3rd Floor
Phoenix, AZ 85007

Paul J. Roshka
Polsinelli PC
One East Washington St., Suite 1200
Phoenix, AZ 85004
Attorneys for Respondents ER,
Lance Bersch, David and Linda Wanzek

Timothy J. Sabo
Snell & Wilmer LLP
400 East Van Buren St.
Phoenix, AZ 85004
Attorneys for Respondents ER,
Lance Bersch, David and Linda Wanzek

Katie Bredlow