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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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AZ CORP COMMISSION
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In the matter of:
DEER PARK DEVELOPMENT CORPORATION,
MARTY O'MALLEY and JULIE UNRUH
O'MALLEY, husband and wife,
ROBERT D. BJERKEN,
Respondents.

DOCKET NO. S-20926A-15-0116

SECOND
PROCEDURAL ORDER
(Schedules a Hearing)

BY THE COMMISSION:

On April 8, 2015, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties, and for Other Affirmative Action ("Notice") against Deer Park Development Corporation, Marty O'Malley and Julie Unruh O'Malley, husband and wife (the "O'Malleys"), and Robert D. Bjerken (collectively "Respondents"), in which the Division alleged violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of stock.

The spouse of Marty O'Malley, Julie Unruh O'Malley ("Respondent Spouse"), 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 Notice.

On April 23, 2015, Respondents Marty O'Malley and Julie Unruh O'Malley filed a Request for Hearing pursuant to A.R.S. § 44-1972 and A.A.C. R14-4-306.

On April 24, 2015, Respondents Marty O'Malley and Julie Unruh O'Malley filed a Notice of Bankruptcy Filing. The Notice, filed through the O'Malleys' Special Litigation Counsel in Nevada, stated that the O'Malleys filed a Chapter 11 Bankruptcy Petition with the United States District

1 Bankruptcy Court, District of Nevada, on January 30, 2014, which was converted to a case under
2 Chapter 7 on August 5, 2014. The Notice advised that 11 U.S.C. § 362(a)(1) prohibits
3 commencement of judicial, administrative or other proceedings against the debtors.

4 On May 13, 2015, by Procedural Order, a pre-hearing conference was scheduled for June 3,
5 2015.

6 On May 18, 2015, counsel filed a Notice of Appearance on Behalf of Respondents Marty
7 O'Malley and Julie Unruh O'Malley. Counsel for the O'Malleys also filed a Response to Notice of
8 Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order for Restitution, Order
9 for Administrative Penalties and Order for Other Affirmative Action.

10 On June 3, 2013, a pre-hearing conference was held. The Division and the O'Malleys
11 appeared through counsel. Counsel for the O'Malleys stated that his clients' bankruptcy matter is
12 ongoing. Counsel for the Division stated the Division's position that the bankruptcy has no effect
13 upon these proceedings. The parties agreed to a hearing schedule.

14 Accordingly, a hearing should be scheduled.

15 IT IS THEREFORE ORDERED that a **hearing** shall be held commencing on **November 2,**
16 **2015, at 10:00 a.m.,** at the Commission's offices, 1200 West Washington Street, Hearing Room No.
17 1, Phoenix, Arizona.

18 IT IS FURTHER ORDERED that **the parties shall also set aside November 3-6, 2015, for**
19 **additional days of hearing,** if necessary.

20 IT IS FURTHER ORDERED that **the Division and Respondents shall exchange copies of**
21 **their Witness Lists and copies of the Exhibits by September 3, 2015,** with courtesy copies
22 provided to the presiding Administrative Law Judge.

23 IT IS FURTHER ORDERED that **if the parties reach a resolution of the issues raised in**
24 **the Notice prior to the hearing, the Division shall file a Motion to Vacate the Proceeding.**

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 Arizona Supreme Court Rules

1 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

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

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

11 DATED this 3rd day of June, 2015.

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13 
14 _____
MARK PRENY
ADMINISTRATIVE LAW JUDGE

15 Copies of the foregoing mailed/delivered
16 this 3rd day of June, 2015, to:

17 Chad A. Hester
18 WALLIN HESTER, PLC
19 1760 E. Pecos Road, Suite 332
20 Gilbert, AZ 85295
21 Attorney for Respondents O'Malley

22 Matthew Neubert, Director
23 Securities Division
24 ARIZONA CORPORATION COMMISSION
25 1300 West Washington Street
26 Phoenix, AZ 85007

27 COASH & COASH, INC.
28 Court Reporting, Video and
Videoconferencing
1802 North 7th Street
Phoenix, AZ 85006

26 By: Rebecca Unquera
27 Rebecca Unquera
28 Assistant to Mark Preny