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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE – Chairman  
BOB STUMP  
BOB BURNS  
TOM FORESE  
ANDY TOBIN

Arizona Corporation Commission  
RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL  
AUG 08 2016  
2016 AUG 8 AM 9 00

DOCKETED BY [Signature]

IN THE MATTER OF THE:

DOCKET NO. S-20956A-16-0090

DAVID J. ESCARCEGA (CRD No. 4367584), an unmarried man

**THIRD  
PROCEDURAL ORDER  
(Grants Consent to Email Service)**

Respondents.

BY THE COMMISSION:

On March 14, 2016, 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, of Revocation, of Denial, and for Other Affirmative Action (“Notice”) against David J. Escarcega, an unmarried man (“Escarcega” or “Respondent”) in which the Division alleged violations of the Arizona Securities Act (“Securities Act”) and the Arizona Investment Management Act (“IM Act”) in connection with the offer and sale of securities in the form of debentures.

The Respondent was duly served with a copy of the Notice.

On March 24, 2016, Respondent filed a Request for Hearing pursuant to A.R.S. § 44-1972 and Arizona Administrative Code (“A.A.C.”) R14-4-306.

On March 29, 2016, by Procedural Order, a pre-hearing conference was scheduled to commence on April 14, 2016.

On April 13, 2016, Respondent filed his Answer to Notice of Opportunity for Hearing Regarding Proposed Orders.

On April 14, 2016, the pre-hearing conference was held as scheduled. The Division and Respondent appeared through counsel. The scheduling of a hearing date was discussed.

On April 14, 2016, by Procedural Order, a hearing was scheduled to commence on November

1 7, 2016.

2 On August 5, 2016, the Division filed a Consent to Email Service.

3 The Division has opted to receive service of all filings in this docket, including all filings by  
4 parties and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders  
5 issued by the Commission's Hearing Division, via their designated email addresses rather than via U.S.  
6 Mail. The Division has exercised this option by docketing a hard copy of its Consent to Email Service,  
7 and by sending an email containing its name and the docket number for this matter to  
8 HearingDivisionServicebyEmail@azcc.gov from its designated email address. The Hearing Division  
9 has verified the validity of its designated email address, which now appears on the service list for this  
10 matter in addition to their address for U.S. Mail. In addition, courtesy email addresses appear for  
11 delivery of courtesy emails to other individuals associated with the Division.

12 The Consent to Email Service filed by the Division should be granted.

13 IT IS THEREFORE ORDERED that the request by the Division to receive service of all filings  
14 in this docket, including all filings by parties and all Procedural Orders and Recommended Opinions  
15 and Orders/Recommended Orders issued by the Commission's Hearing Division, via its respective  
16 designated email address rather than via U.S. Mail, is hereby approved.

17 IT IS FURTHER ORDERED that **a hearing remains scheduled to commence on November**  
18 **7, 2016, at 10:00 a.m., at the Commission's offices, 1200 West Washington Street, Hearing Room**  
19 **No. 1, Phoenix, Arizona.** The parties shall also **set aside November 9, 10, and 14-18, 2016, for**  
20 **additional days of hearing**, if necessary.

21 IT IS FURTHER ORDERED that **the Division and Respondent shall exchange copies of**  
22 **their Witness Lists and copies of the Exhibits by September 23, 2016**, with courtesy copies provided  
23 to the presiding Administrative Law Judge.

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

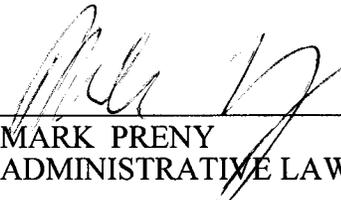
26 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
27 Communications) is in effect and shall remain in effect until the Commission's Decision in this matter  
28 is final and non-appealable.

1 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules  
2 31, 38, 39, and 42, and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

3 IT IS FURTHER ORDERED that withdrawal of 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 at  
6 all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled  
7 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 8<sup>th</sup> day of August, 2016.

13  
14   
15 MARK PRENY  
ADMINISTRATIVE LAW JUDGE

16 On this 8<sup>th</sup> day of August, 2016, the foregoing document was filed with Docket Control as a  
17 Procedural Order – Grants Consent to Email Service, and copies of the foregoing were mailed on behalf  
18 of the Hearing Division to the following who have not consented to email service. On this date or as  
19 soon as possible thereafter, the Commission’s eDocket program will automatically email a link to the  
20 foregoing to the following who have consented to email service.

21 Paul J. Roshka  
22 Craig M. Waugh  
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**Consented to Service by Email**

27 By: RTallman  
28 Rebecca Tallman  
Assistant to Mark Preny