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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

Arizona Corporation Commission

DOCKETED

AUG 22 2016

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IN THE MATTER OF:

BART J. ELLIS and COLLEEN ELLIS, husband and wife,

OAK CAPITAL PARTNERS, LLC, an Arizona Limited Liability company,

Respondents.

DOCKET NO. S-20949A-16-0002

**FOURTH**  
**PROCEDURAL ORDER**  
**(Continues Hearing and Grants**  
**Telephonic Appearance)**

BY THE COMMISSION:

On January 8, 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, and for Other Affirmative Action (“Notice”) against Oak Capital Partners, LLC (“Oak Capital”), and Bart J. Ellis and Colleen Ellis, husband and wife (the “Ellises”) (collectively “Respondents”), in which the Division alleged violations of the Arizona Securities Act (“Securities Act”) in connection with the offer and sale of securities in the form of stocks, notes and mutual funds, and violations of the Arizona Investment Management Act (“IM Act”) in connection with transactions involving the provision of investment advisory services.

The spouse of Bart J. Ellis, Colleen Ellis (“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 February 16, 2016, Respondent Bart J. Ellis filed a Request for Hearing pursuant to Arizona Administrative Code (“A.A.C.”) R14-4-306.

On February 19, 2016, by Procedural Order, a pre-hearing conference was scheduled to commence on March 7, 2016.

1 On February 23, 2016, Colleen Ellis filed a Request for Hearing pursuant to A.R.S. § 44-3212  
2 and A.A.C. R14-4-306.

3 On February 24, 2016, by Procedural Order, the scheduled pre-hearing conference was  
4 affirmed, with notice provided to Respondent Spouse.

5 On March 7, 2016, the pre-hearing conference was held as scheduled. The Division appeared  
6 through counsel, as did Respondent Spouse. Respondent Bart J. Ellis did not appear. The scheduling  
7 of a hearing date was discussed.

8 Also on March 7, 2016, by Procedural Order, a hearing was scheduled to commence on August  
9 30, 2016.

10 On August 12, 2016, the Division filed a Motion to Allow Telephonic Testimony, stating that  
11 Mr. Steve Stone works outside of Arizona for much of the year, and the remaining witnesses, J. Barbara  
12 Miller and Candace Salazar, reside outside of Arizona and requiring them to appear in Phoenix, Arizona  
13 would be prohibitively burdensome.

14 On August 19, 2016, Respondent Spouse Colleen Ellis filed a Motion to Continue. Ms. Ellis  
15 requests that the commencement of the hearing be delayed by one day, from August 30, 2016 to August  
16 31, 2016, due to counsel's involvement in a matter in Maricopa County Superior Court for which jury  
17 selection will take place on August 29 and 30, 2016.

18 **IT IS THEREFORE ORDERED that commencement of the hearing in this matter shall be**  
19 **continued to August 31, 2016, at 10:00 a.m., at the Commission's offices, 1200 West Washington**  
20 **Street, Hearing Room No. 1, Phoenix, Arizona.**

21 **IT IS FURTHER ORDERED that the Division's witnesses, Mr. Stone, Ms. Miller and Ms.**  
22 **Salazar, are hereby authorized to appear telephonically at the hearing.**

23 **IT IS FURTHER ORDERED that the Division shall arrange for Mr. Stone, Ms. Miller and Ms.**  
24 **Salazar to be available by telephone at the appropriate time during the evidentiary hearing commencing**  
25 **on August 31, 2016, and for Mr. Stone, Ms. Miller and Ms. Salazar to call in to the Commission's**  
26 **Hearing Room No. 1 at the appropriate time, using a landline, the telephone number 1 (800) 689-9374,**  
27 **and participant passcode 415962#.**

28 **IT IS FURTHER ORDERED that the parties shall also set aside September 1 and 2, 2016,**

1 **for additional days of hearing**, if necessary.

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

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

7 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules  
8 31, 38, 39, and 42, and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

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

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

18 DATED this 22<sup>nd</sup> day of August, 2016.

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21 MARK PRENY  
22 ADMINISTRATIVE LAW JUDGE  
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1 On this 22<sup>nd</sup> day of August, 2016, the foregoing document was filed with Docket Control as a  
2 Procedural Order-Grants a Miscellaneous Motion/Request, and copies of the foregoing were mailed on  
3 behalf of the Hearing Division to the following who have not consented to email service. On this date  
or as soon as possible thereafter, the Commission's eDocket program will automatically email a link  
to the foregoing to the following who have consented to email service.

4 Bart J. Ellis  
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7 Scottsdale, AZ 85258

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10 Attorney for Colleen Ellis

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12 ARIZONA CORPORATION COMMISSION  
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14 COASH & COASH, INC.  
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Amy Wilson  
Assistant to Mark Preny  
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