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**ORIGINAL**

**BEFORE THE ARIZONA CORPORATION COMMISSION**

Arizona Corporation Commission

**DOCKETED**

NOV 04 2016

COMMISSIONERS

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

DOCKETED BY 

In the matter of:  
John Anthony Waszolek (CRD No. 800403)  
and Kathleen Waszolek, husband and wife,  
  
Respondents.

DOCKET NO. S-20977A-16-0242

**STIPULATION TO STAY ADMINISTRATIVE HEARING**

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The Securities Division ("Division") of the Arizona Corporation Commission ("Commission") and Respondents John Anthony Waszolek and Kathleen Waszolek stipulate, through their respective counsel, as follows:

1. On July 8, 2016, the Division filed a Notice of Opportunity for Hearing Regarding Proposed Order for Restitution, for Administrative Penalties, of Revocation, and for Other Affirmative Action ("Notice") against Respondents in which the Division alleged that Mr. Waszolek had committed violations of the Arizona Securities Act ("Act").
2. On July 22, 2016, Respondents filed a Request for Hearing pursuant to Arizona Administrative Code R14-4-306. On August 11, 2016, Respondents filed an Answer in which they denied Mr. Waszolek's alleged violations of the Act.
3. On August 10, 2016, following a pre-hearing conference at which the Division and Respondents appeared through counsel, the hearing was scheduled to commence on

1 January 17, 2017, and continue on January 18-20 and 23, 2017, if necessary. The  
2 date to exchange lists of witnesses and exhibits was set for November 15, 2016.

- 3 4. The Arizona Attorney General's Office recently informed Respondents' counsel that  
4 Mr. Waszolek is the subject of a criminal investigation, which is on-going and arises  
5 out of the conduct alleged in the Notice.
- 6 5. Based on the circumstances of this particular matter, the scheduled dates for the  
7 administrative hearing and the exchange lists of witnesses and exhibits should be  
8 vacated and the hearing should be stayed. All discovery and motion practice shall  
9 also be stayed. The term "discovery" as used in this Stipulation does not refer to  
10 investigative activities by either party. The term "motion practice" does not include  
11 a motion to lift the stay as provided for in the following paragraph.
- 12 6. Either party may move to lift the stay after first giving the other party ten calendar  
13 days' notice.
- 14 7. The Division agrees to hold in abeyance its planned examination under oath of Mr.  
15 Waszolek until the stay is lifted.
- 16 8. Counsel for the parties will file a joint written report on March 1, 2017, regarding the  
17 status of this matter. A similar joint status report shall be filed every ninety days  
18 thereafter, pending a change in the status of the stay.

19  
20 RESPECTFULLY SUBMITTED this 4<sup>th</sup> day of November, 2016.

21 ARIZONA CORPORATION COMMISSION

22  
23 By   
24 James D. Burgess  
25 Attorney for the Securities Division  
26 Arizona Corporation Commission

BASKIN RICHARDS PLC



By \_\_\_\_\_

Alan S. Baskin  
Attorneys for Respondents

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On this \_\_\_\_ day of November, 2016, the foregoing document was filed with Docket Control as a Securities Division Stipulation, and a copy of the foregoing was mailed on behalf of the Securities Division to the following who have not consented to email service.

Alan S. Baskin  
Baskin Richards, PLC  
2901 N. Central Avenue, Suite 1150  
Phoenix, Arizona 85012  
Attorneys for Respondents

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BASKIN RICHARDS PLC

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By \_\_\_\_\_  
Alan S. Baskin  
Attorneys for Respondents

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Alan S. Baskin  
Baskin Richards, PLC  
2901 N. Central Avenue, Suite 1150  
Phoenix, Arizona 85012  
Attorneys for Respondents

Karen Houle