

**BEFORE THE DIVISION OF SECURITIES  
OF THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH**

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IN THE MATTER OF  
THE LICENSES OF  
**ZCOM NETWORKS, INC.,  
MATRIX MANAGEMENT, INC.,  
AND ALEX R. PARSINIA**

~     **NOTICE OF DENIAL OF MOTION  
~     TO CONTINUE HEARING,  
~     ENTRY OF DEFAULT, PENDING  
~     ISSUANCE OF DEFAULT ORDER  
~     AND POSTHEARING  
~     SCHEDULING ORDER  
~     CASE ##: SD-09-0050  
~     SD-09-0051 AND SD-09-0052**

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**BY THE ADMINISTRATIVE LAW JUDGE:**

This adjudicative proceeding was initiated pursuant to the issuance of a November 3, 2009 notice of agency action and order to show cause. Ryan R. West, legal counsel for Respondents, filed a December 7, 2009 response. The notice recites the initial hearing in this proceeding would be conducted on January 5, 2010.

That hearing was initially rescheduled to be conducted on August 26, 2010. However, Jeff Buckner (counsel for the Division) informed the Court on that date that the Division has been unable to contact Mr. West. The Division thus requested that the August 26, 2010 hearing be continued to allow the Division to locate Mr. West, perfect service in this proceeding and reset the hearing. That hearing was thus continued and rescheduled to be conducted on October 6, 2010.

Pursuant to an October 6, 2010 notice, the hearing was reset to be conducted before the Utah Securities Commission on January 27, 2011. That notice recites discovery was to be exchanged by December 27, 2010 and the parties were to provide a witness and exhibit list by January 11, 2011. The notice also set forth the disclosure of any expert witness report by January 13, 2011 and the filing of any dispositive motions one week prior to that date.

Pursuant to a January 20, 2011 amended notice, the hearing was rescheduled for March 17, 2011. The above-described prehearing schedule was also amended. Respondent Alex Parsinia left a telephone message for the Court at 3:54 p.m. on March 16, 2011. He stated Mr. West is his attorney, but that he (Mr. Parsinia) was having problems contacting Mr. West.

Respondent Alex Parsinia then stated Mr. West had said he would get this case continued. Respondent Alex Parsinia also stated he had contacted Tom Brady (the securities analyst for the Division in this proceeding), and that Mr. Brady told Respondent Alex Parsinia that he (Mr. Brady) had not been contacted by Mr. West. Respondent Alex Parsinia, who resides in California, also stated he needs to replace Mr. West as legal counsel and he requested a continuance of the pending hearing. Mr. Parsinia also requested that the Court contact him.

The Court then attempted to contact Respondent Alex Parsinia on March 16.

2011 by telephone at the number indicated in the message. However, the Court was not able to do so, either directly or by message, using that number. The Court then contacted Mr. Brady on March 16, 2011 and informed him of the message from Respondent Alex Parsinia.

The latter left another telephonic message for the Court at 8:58 a.m. on March 17, 2011. Respondent Alex Parsinia stated he was still having difficulty contacting Mr. West and reiterated his request that the March 17, 2011 hearing be continued. He also requested the Court to contact him and he provided a slightly different telephone number for that purpose.

The March 17, 2011 hearing was scheduled to commence at 9:00 a.m. on that date. Mr. Buckner was present as legal counsel for the Division. None of the Respondents or Mr. West were present. All members of the Utah Securities Commission (Michael C. O'Brien, Timothy G. Bangerter, Jane Cameron, Laura Polacheck and Eric A. Christiansen) were present. Keith Woodwell (Division Director) and Mr. Brady also attended the hearing.

The Court initially informed those present of the March 16, 2011 message left by Respondent Alex Parsinia. The Court was not aware of Respondent Alex Parsinia's March 17, 2011 message until the March 17, 2011 hearing before the Commission had concluded. The Commission initially reviewed the pending request to continue the

March 17, 2011 hearing. The Commission denied that request.

Given the nonappearance of each Respondent and Mr. West, the Division then requested the December 7, 2009 response be stricken and the default of each Respondent be entered. Based on the Division's assurance that proper service had been provided as to the March 17, 2011 hearing, the Commission granted the request to strike the above-stated response and entered the default of each Respondent. Based thereon, the Commission concluded it was not necessary to review and act upon the Division's March 8, 2011 motion in limine.

The Division then presented a proffer of the evidence as support for the allegations set forth in the March 3, 2009 order to show cause. The Commission concluded that findings of fact and conclusions of law be entered consistent with those allegations. The Commission also concluded the relief sought by the Division in the order to show cause should be entered. Accordingly, it was expected the Division would prepare the order for this proceeding and that order would be submitted to the Commission within 2-3 weeks for its review and action.

The Court became aware of Respondent Alex Parsinia's March 17, 2011 telephone message at approximately 1:30 p.m. on that date. The Court then contacted Mr. Brady to conduct a teleconference with Respondent Alex Parsinia. The Court left a telephonic message for Respondent Alex Parsinia at that time.

Shortly thereafter, Respondent Alex Parsinia returned the call and the Court then conducted a teleconference with him and Mr. Brady. The Court initially apologized for any confusion in its prior attempts to contact Respondent Alex Parsinia and informed him that the Court was not aware of his March 17, 2011 message until the hearing before the Commission had concluded.

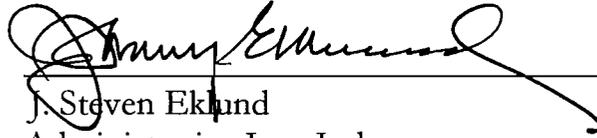
The Court then informed Respondent Alex Parsinia of the various matters addressed during the hearing and that, after the Commission's written order was issued, a request to set aside or vacate the order could be filed. The Court also stated the order would identify the procedure for such a request.

Respondent Alex Parsinia stated he spoke with Mr. West on three occasions on March 16 and 17, 2011. The Court reiterated that Mr. West was not present for the March 17, 2011 hearing and Mr. Brady stated he has had no contact with Mr. West. The Court noted Mr. West has not filed a notice of withdrawal of counsel and the Court has had no contact with him.

The Court informed Mr. Brady and Respondent Alex Parsinia that the Commission's written order would be provided to both Mr. West and Respondent Alex Parsinia. Given the foregoing, the Court stated that any request for reconsideration of the order or a request that it be vacated or set aside would be premature until a written order had been issued. The Court then confirmed the existing address for Respondent

Alex Parsinia and noted the current address for Mr. West.

Dated this 6<sup>th</sup> day of April 2011.

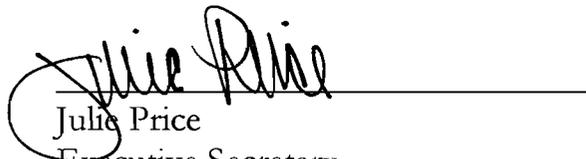


J. Steven Eklund  
Administrative Law Judge  
Department of Commerce

### CERTIFICATE OF SERVICE

I certify that I have this day served the foregoing document on the parties of record in this proceeding set forth below, by delivering a copy thereof in person, to Jeff Buckner Assistant Attorney General, Heber M. Wells Building, Second Floor, 160 East 300 South, Salt Lake City, UT; and by mailing a copy thereof, properly addressed by first class mail with postage prepaid, to Alex R. Parsinia, 26500 West Agoura Road Suite 516, Calabasas, CA 91302; and to Ryan R. West, Mumford West & Snow PLLC, 15 W. South Temple, Suite 1000, Salt Lake City, UT 84101.

Dated this 6<sup>th</sup> day of April 2011.



Julie Price  
Executive Secretary  
Division of Securities