

**#.. SEC-42**

**System name:**

Enforcement Files.

**System location:**

Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Files may be maintained in Commission offices which conducted an investigation or litigation. Closed investigatory and litigation files are stored at a federal records center.

**Categories of individuals covered by the system:**

Records are maintained on persons who have been involved in Commission investigations or litigation, or in activities which violated or may have violated federal, state or foreign laws relating to transactions in securities, the conduct of securities business or investment advisory activities, and banking or other financial activities.

**Categories of records in the system:**

Correspondence relevant to the matter, internal staff memoranda, Commission Minutes and Commission Orders, copies of subpoenas issued in the course of the matter, affidavits, transcripts of testimony and exhibits thereto, copies of pleadings and exhibits in related private or governmental actions, documents and other evidence obtained in the course of the matter, computerized records, working papers of the staff and other documents and records relating to the matter, opening reports, progress reports and closing reports, and miscellaneous records relating to investigations or litigation.

**Authority for maintenance of the system:**

Title 15, United States Code, sections 77s, 77t, 78u, 79r, 77uuu, 80a-41, 80b-9, and 17 CFR 202.5.

**Routine uses of records maintained in the system, including categories of users and the purposes of such uses:**

1. To coordinate law enforcement activities between the SEC and other federal, state, local or foreign law enforcement agencies, securities self-regulatory organizations, and foreign securities authorities.
2. By SEC personnel for purposes of investigating possible violations of, or to conduct investigations authorized by, the federal securities laws.
3. Where there is an indication of a violation or potential violation of law, whether civil, criminal or regulatory in nature, and whether arising by general statute or particular program statute, or by regulations, rule or order issued pursuant thereto, the relevant records in the system of records may be referred to the appropriate agency, whether federal, state, or local, a foreign governmental authority or foreign securities authority, or a securities self-regulatory organization charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute or rule, regulation or order issued pursuant thereto.

4. In any proceeding where the federal securities laws are in issue or in which the Commission, or past or present members of its staff, is a party or otherwise involved in an official capacity.
5. To a federal, state, local or foreign governmental authority or foreign securities authority maintaining civil, criminal or other relevant enforcement information or other pertinent information, such as current licenses, if necessary to obtain information relevant to an agency decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant or other benefit.
6. To a federal, state, local or foreign governmental authority or foreign securities authority, in response to its request, in connection with the hiring or retention of an employee, the issuance of a security clearance, the reporting of an investigation of an employee, the letting of a contract, or the issuance of a license, grant or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.
7. In connection with proceedings by the Commission pursuant to Rule 2(e) of its Rules of Practice, 17 CFR 201.2(e).
8. When considered appropriate, records in this system may be disclosed to a bar association, the American Institute of Certified Public Accountants, a state accountancy board or other federal, state, local or foreign licensing or oversight authority, foreign securities authority, or professional association or self-regulatory authority performing similar functions, for possible disciplinary or other actions.
9. In connection with investigations or disciplinary proceedings by a state securities regulatory authority, a foreign securities authority, or by a self-regulatory organization involving one or more of its members.
10. As a data source for management information for production of summary descriptive statistics and analytical studies in support of the function for which the records are collected and maintained or for related personnel management functions or manpower studies, and to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.
11. In connection with their regulatory and enforcement responsibilities mandated by the federal securities laws (as defined in section 21(g) of the Securities Exchange Act of 1934, 15 U.S.C. 78u(g)), or state or foreign laws regulating securities or other related matters, records may be disclosed to national securities associations that are registered with the Commission, the Municipal Securities Rulemaking Board, the Securities Investor Protection Corporation, the federal banking authorities, including but not limited to, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit

Insurance Corporation, state securities regulatory or law enforcement agencies or organizations, regulatory law enforcement agencies of a foreign government, or foreign securities authorities.

12. To any trustee, receiver, master, special counsel, or other individual or entity that is appointed by a court of competent jurisdiction or as a result of an agreement between the parties in connection with litigation or administrative proceedings involving allegations of violations of the federal securities laws (as defined in section 21(g) of the Securities Exchange Act of 1934, 15 U.S.C. 78u(g)) or the Commission's rules of practice, 17 CFR 202.1 et seq., or otherwise, where such trustee, receiver, master, special counsel or other individual or entity is specifically designated to perform particular functions with respect to, or as a result of, the pending action or proceeding or in connection with the administration and enforcement by the Commission of the federal securities laws or the Commission's rules of practice.
13. To any person during the course of any inquiry or investigation conducted by the Commission's staff, or in connection with civil litigation, if the staff has reason to believe that the person to whom the record is disclosed may have further information about the matters related therein, and those matters appeared to be relevant at the time to the subject matter of the inquiry.
14. To any person with whom the Commission contracts to reproduce, by typing, photocopy or other means, any record within this system for use by the Commission and its staff in connection with their official duties or to any person who is utilized by the Commission to perform clerical or stenographic functions relating to the official business of the Commission.
15. Inclusion in reports published by the Commission pursuant to authority granted in the federal securities laws (as defined in section 21(g) of the Securities Exchange Act of 1934, 15 U.S.C. 78u(g)).
16. To members of advisory committees that are created by the Commission or by the Congress to render advice and recommendations to the Commission or to the Congress, to be used solely in connection with their official designated functions.
17. To any person who is or has agreed to be subject to the Commission's Rules of Conduct, 17 CFR 200.785-1 et seq., and who assists in the investigation by the Commission of possible violations of federal securities law (as defined in section 21(g) of the Securities Exchange Act of 1934, 15 U.S.C. 78u(g)), in the preparation or conduct of enforcement actions brought by the Commission for such violations, or otherwise in connection with the Commission's enforcement or regulatory functions under the federal securities laws.
18. Disclosure may be made to a Congressional office from the record of an individual in response to an inquiry from the Congressional office made at the request of that individual.
19. To respond to inquiries from Members of Congress, the press

and the public which relate to specific matters that the Commission has investigated and to matters under the Commission's jurisdiction.

20. To prepare and publish information relating to violations of the federal securities laws as provided in 15 U.S.C. 78u(a), as amended.
21. To respond to subpoenas in any litigation or other proceeding.
22. To a trustee in bankruptcy.

**Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:**

**Storage:**

Paper records, microform, electronic and other media.

**Retrievability:**

The records are retrieved by the name under which the investigation is conducted or administrative or judicial litigation is filed, Access to information about an individual may be obtained through the Commission's Name-Relationship Index system by the name of the individual. Information concerning an individual may also be obtained by reference to card or computer-maintained indices.

**Safeguards:**

Access to and use of investigatory records are limited to those persons whose official duties require such access. Personnel screening is employed to prevent unauthorized disclosure. Files are maintained in buildings having a 24-hour security guard. During the course of a matter, relevant records are normally maintained by the individuals working on the matter. Information contained in indices is safeguarded by use of confidential access passwords, physical restrictions and/or other means. Most of the information contained in litigation files is public insofar as the documents were filed in public administrative were filed in public administrative proceedings or litigation (unless otherwise ordered).

**Retention and disposal:**

These records are maintained in-house until the investigation is officially closed, then transferred to the Federal Records Center for storage. They are controlled and assigned case number and destroyed after 25 years, in accordance with the Commission's formal Records Control Schedule outlined at 17 CFR 200.80f.

**System manager(s) and address:**

Director, Division of Enforcement, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549; Records Officer, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549; Regional Director, Northeast Regional Office, 7 World Trade Center, suite 1300, New York, N.Y. 10048; District Administrator, Boston District Office, 73 Tremont Street, Suite 600, Boston, MA 02108-3912; District Administrator, Philadelphia District Office, The Curtis Center, 601 Walnut Street, suite 1005 East, Philadelphia, PA 19106-3322; Regional Director, Southeast Regional Office, 1401 Brickell Avenue, Suite 200, Miami, FL 33131; District Administrator, Atlanta District Office, 3475 Lenox Road, NE., suite

1000, Atlanta, GA, 30326-1232; Regional Director, Midwest Regional Office, Northwestern Atrium Center, 500 W. Madison Street, suite 1400, Chicago, IL 60661-2511; Regional Director, Central Regional Office, 1801 California Street, Suite 4800, Denver, CO 80202-2648; District Administrator, Fort Worth District Office, 801 Cherry Street, suite 1900, Fort Worth, TX 76102; District Administrator, Salt Lake District Office, 500 Key Bank Tower, 50 South Main Street, Salt Lake City, UT 84144-0402; Regional Director, Pacific Regional Office, 5670 Wilshire Boulevard, suite 1100, Los Angeles, CA 90036-3648; and District Administrator, San Francisco District Office, 44 Montgomery Street, 11th Floor, San Francisco, CA 94103-1735.

**Notification procedure:**

All requests to determine whether this system of records contains a record pertaining to the requesting individual may be directed to the Privacy Act Officer, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop O-5, Alexandria, VA 22312-2413.

**Record access procedures:**

Persons wishing to obtain information on the procedures for gaining access to or contesting the contents of these records may contact the Privacy Act Officer, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop O-5, Alexandria, VA 22312-2413.

**Contesting record procedures:**

Individuals desiring to contest or amend information maintained in this system of records should direct their requests to the Privacy Act Officer.

**Record source categories:**

Information in these records is supplied by: Individuals including, where practicable, those to whom the information relates; witnesses, banks, corporations, or other entities; self-regulatory organizations; the Postal Inspection Service, the Department of Justice, state securities commissions, other Federal, state, or local bodies and law enforcement agencies or foreign governmental authorities; public sources, i.e., libraries, newspapers, television, radio, court records, filings with Federal, state, and local bodies; filings made with the SEC pursuant to law; electronic information sources; other offices within the Commission; documents, litigation, transcripts of testimony, evidence introduced into court, orders entered by a court and correspondence relating to litigation; pleadings in administrative proceedings, transcripts of testimony, documents, including evidence entered in such proceedings, and miscellaneous other sources.