

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
January 13, 2006

In the Matter of

GREGORY M. DEARLOVE, CPA

ORDER

The hearing in this matter is scheduled to begin on January 23, 2006. Respondent Gregory M. Dearlove, CPA (Dearlove), has submitted applications for subpoenas ad testificandum. The applications seek the testimony of four employees or former employees of the Division of Corporation Finance (CorpFin) of the Securities and Exchange Commission (Commission).

Pursuant to Rule 232(b) of the Commission's Rules of Practice, I directed the Division of Enforcement (Division) to consult with Dearlove and to advise this Office whether it would stipulate to the facts sought to be proved through these four prospective witnesses (Order of Jan. 11, 2006). The parties have not yet been able to consult with each other about possible stipulations. CorpFin has objected to issuance of the subpoenas on various grounds, including an assertion of the deliberative process privilege. CorpFin also notes that one of the four individuals did not have any involvement in the matter under scrutiny and that another individual is no longer employed by the Commission.

I have determined to approve the four subpoenas and return them to Dearlove by overnight courier. It is recognized that the Division and CorpFin are likely to move to quash any subpoenas that Dearlove properly serves. Given the limited amount of time before the hearing, the parties may present their arguments in support of or in opposition to quashing at the telephonic prehearing conference on January 20, 2006. A written motion to quash and a written opposition to such a motion will not be required. I will issue an oral ruling on any such motion to quash at the prehearing conference. In the meanwhile, the parties should continue to consult with each other about possible stipulations.

As a separate matter, the Division recently sought permission to use an electronic exhibit system for the hearing (Letter of Jan. 5, 2006, from Nancy A. Brown to ALJ). The Division stated that it had not yet heard from Dearlove's counsel on its proposal.

I previously ordered that hearing exhibits should be offered only in hard copy format (Order of Dec. 9, 2005, at 3). It is not clear to me whether the Division's letter seeks

reconsideration of this ruling, or whether Dearlove supports or opposes the Division's proposal. The parties shall clarify these matters and notify this Office as soon as possible.

SO ORDERED.



James T. Kelly
Administrative Law Judge