

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 740/January 25, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15003

In the Matter of

DANIEL BOGAR, :
BERNERD E. YOUNG, and : ORDER
JASON T. GREEN :

The Securities and Exchange Commission instituted this proceeding on August 31, 2012, and the hearing is scheduled to commence on February 11, 2013. The charges relate to the alleged actions or inactions of Respondents during their association with companies associated with convicted Ponzi-schemer Allen Stanford, including Stanford Group Company (SGC), a registered broker-dealer and investment adviser, and Stanford International Bank, Ltd. (SIBL).

Under consideration are several motions to quash and similar pleadings concerning several subpoenas duces tecum issued at the request of Respondents Daniel Bogar (Bogar) and Jason T. Green (Green).¹ Those related to subpoenas directed to the Official Stanford Investors Committee, Greenberg Traurig LLP, Hunton & Williams LLP, Carlos E. Loumiet, Pershing, LLC, Ed Zelezen, and John Ward indicate the movants' willingness to negotiate a reasonable solution. Accordingly, compliance with those subpoenas will be suspended.

The subpoenas directed to prospective Division of Enforcement (Division) witnesses Bobby Allison (Allison), Cynthia Dore (Dore), Thomas J. Moran (Moran), and/or related entities are overbroad and will be modified or quashed pursuant to 17 C.F.R. § 201.232(e)(2).

¹ One such pleading was filed by the Division of Enforcement, which Bogar and Green argue lacks standing to oppose the subpoenas. However, 17 C.F.R. § 201.232(e)(1) provides, "Any person to whom a subpoena is directed, or who is an owner, creator or the subject of the documents that are to be produced pursuant to a subpoena, or any party may . . . request that the subpoena be quashed or modified." (emphasis added). See also Amendments to the Rules of Practice, 69 Fed. Reg. 13166, 13170 (Mar. 19, 2004).

The Division's witness list describes Allison as a former SGC employee who will testify about its policies, procedures, operation, management, and efforts to attract financial advisers, as well as concerns raised by the SGC financial advisers related to SIBL and its Certificate of Deposit (CD) and the sale, marketing, or referral of the CD. In addition to specifying production of documents showing potential recruits for SGC for the years 2007 and 2008, the subpoena specifies production of Allison's federal income tax returns for the years 2007 and 2008. The subpoena will be modified to exclude production of the tax returns as unreasonable and oppressive; they contain confidential information that is completely irrelevant to Allison's expected testimony or any issue in this proceeding.

Moran and Dore are former customers. The Division's witness list states that Moran will testify about his interaction with SGC personnel and his investment in the SIBL CD. The subpoena directed to Moran specifies production of his federal tax returns for the years 2007, 2008, and 2009; personal financial statements; and all brokerage account statements, new account forms, client agreements, and correspondence with brokerage firms (Brokerage Documents) for the years 2005 to the present. The subpoena will be modified to exclude production of the tax returns and financial statements and to limit Brokerage Documents to SGC documents. The excluded items contain confidential information that is completely irrelevant to Moran's expected testimony or any issue in this proceeding, and requiring their production would be unreasonable and oppressive. Additionally, for the same reason, subpoenas directed to Merrill, Lynch, Pierce, Fenner & Smith, Inc.; Postlethwaite & Netterville, APAC; and Wells Fargo Advisors, LLC, that specify the production of documents related to Moran, such as account statements, new account documents and customer agreements, correspondence, tax returns, and financial statements will be quashed.

The Division's witness list states that Dore will testify about her interaction with SGC personnel and her investment in the SIBL CD. Subpoenas directed to MetLife Insurers USA Insurance Company, Jackson National Life Insurance Company, and Charles Schwab & Co., Inc., that specify the production of account statements of Dore, new account documents and customer agreements, and correspondence will be quashed. Production of these items is unreasonable and oppressive; they contain confidential information that is completely irrelevant to Dore's expected testimony or any issue in this proceeding.

IT IS SO ORDERED.

/s/ Carol Fox Foelak
Carol Fox Foelak
Administrative Law Judge