

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 3370/December 4, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16883

In the Matter of

ARTHUR F. JACOB, CPA and
INNOVATIVE BUSINESS SOLUTIONS, LLC

SCHEDULING ORDER

On October 5, 2015, the Securities and Exchange Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings (OIP) against Respondents. On November 13, 2015, the parties submitted a joint prehearing conference statement in which they: (i) propose a procedural schedule; (ii) establish that Respondents were served with the OIP on October 9, 2015; and (iii) state that Respondents expressly waive their right to a hearing commencing between 30 and 60 days from the OIP service date.

Upon consideration of the joint prehearing conference statement, I ORDER the following procedural schedule:

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| January 19, 2016: | Subpoenas for the production of documentary evidence are due. Parties are responsible for requesting and serving their own subpoenas. Subpoena forms are available online at http://www.sec.gov/alj . |
| January 29, 2016: | Expert reports, including the information specified in Rule of Practice 222(b), 17 C.F.R. § 201.222(b), are due. |
| February 2, 2016: | Witness and exhibit lists are due. |

The parties shall exchange with each other, but not file, copies of their pre-marked exhibits.

- February 16, 2016: Admissions of fact are due.
- Stipulations are due, including stipulations concerning the contents, authenticity, or admissibility of documents.
- Subpoenas requiring the attendance of witnesses at the hearing are due. Parties are responsible for requesting and serving their own subpoenas.
- February 23, 2016: Prehearing briefs are due.
- Motions in limine are due.
- Objections to witnesses and exhibits are due.
- March 1, 2016: A final telephonic prehearing conference will be held at 2:00 p.m. EST.
- March 7, 2016: The hearing will begin at 9:00 a.m. EST in Hearing Room 2 at the Commission's Headquarters, 100 F St., N.E., Washington, D.C. 20549. The parties and their counsel should be prepared to proceed with the hearing on this date, as requests for postponement are "strongly disfavor[ed]." 17 C.F.R. § 201.161(b).

After the close of the parties' evidentiary presentation, I will establish a post-hearing schedule for the filing of briefs and exhibits.

Witness lists shall include witnesses' names, occupations, addresses, and a brief summary of their expected testimony. 17 C.F.R. § 201.222(a)(4). Exhibit lists shall be emailed to my Office at alj@sec.gov in Microsoft Excel or Word format and include exhibit numbers, a description of each exhibit, and Bates-stamp numbers, if any. Exhibits shall not be filed with the Office of the Secretary until after the hearing concludes. In addition to the required filing with the Office of the Secretary, electronic courtesy copies of filings should be emailed to alj@sec.gov in both PDF text-searchable format and, when possible, Microsoft Word format. Electronic copies of exhibits should not be combined into a single PDF file, but submitted as separate attachments.

In their joint statement, the parties included filing dates for motions for summary disposition, oppositions, and replies. At this stage, leave for the filing of such motions will not be granted. *See* Rules of Practice, Exchange Act Release No. 35833, 60 Fed. Reg. 32738, 32768 (June 23, 1995) ("[Leave to file a motion for summary disposition] shall be granted only for good cause shown, and if consideration of the motion will not delay the scheduled start of the hearing."). Although Rule 250 provides a mechanism for seeking summary disposition, summary disposition is disfavored in cases like this one, in which the Commission orders that an initial decision be issued within 300 days of service of the OIP. *See Jay T. Comeaux*, Securities Act Release No. 9633, 2014 SEC LEXIS 3001, at *16 n.30 (Aug. 21, 2014). The procedure contemplated under Rule 250 is limited. *See* 17 C.F.R. § 201.250(a) ("The facts of the pleadings

of the party against whom the motion is made shall be taken as true, except as modified by stipulations or admissions made by that party, by uncontested affidavits, or by facts officially noted”); 60 Fed. Reg. at 32768 (“[T]he circumstances when summary disposition prior to hearing could be appropriately sought or granted will be comparatively rare.”). Further, the OIP alleges antifraud violations, which involve issues such as scienter that are generally not susceptible to summary disposition.

If a party seeks leave to file a motion for summary disposition, the party should submit, by December 30, 2015, a statement of no more than three pages explaining the potential basis for such motion.

Jason S. Patil
Administrative Law Judge