

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

ADMINISTRATIVE PROCEEDINGS RULINGS

Release No. 4834 /May 26, 2017

ADMINISTRATIVE PROCEEDING

File Nos. 3-17874 and 3-17875

In the Matter of

TALMAN HARRIS and
VICTOR ALFAYA

ORDER FOLLOWING PREHEARING
CONFERENCE AND TO SHOW CAUSE
AS TO RESPONDENT ALFAYA

On March 10, 2017, the Securities and Exchange Commission issued an order instituting proceedings (OIP) against each Respondent. The two proceedings were consolidated pursuant to 17 C.F.R. § 201.201(a). *Talman Harris*, Admin. Proc. Rulings Release No. 4675, 2017 SEC LEXIS 753, at *1 (ALJ Mar. 13, 2017). On April 24, 2017, I ordered the Division of Enforcement to file a supplemental declaration of service and scheduled a telephonic prehearing conference for May 26, 2017. *Talman Harris*, Admin Proc. Rulings Release No. 4763, 2017 SEC LEXIS 1209, at *2.

On May 1, 2017, the Division submitted its supplemental declaration. The declaration, along with U.S. Postal Service tracking information, establishes that Respondent Talman Harris was served with his OIP by mail in accordance with 17 C.F.R. § 201.141(a)(2)(i) on April 29, 2017. On May 23, 2017, the Division submitted a second supplemental declaration after its counsel learned that Respondent Victor Alfaya had recently been incarcerated. The declaration, along with U.S. Postal Service tracking information, establishes that Alfaya was served with his OIP by mail in accordance with 17 C.F.R. § 201.141(a)(2)(i) on May 18, 2017.

Today, I held the telephonic prehearing conference, at which the Division of Enforcement and Harris appeared. Harris declined to speak on the record, but a case manager, who was in the room with him, relayed Harris's answers to my questions and confirmed that he could hear the conference. Harris confirmed that he had received the packet that the Division had served on him through the U.S. Postal Service, and I granted him until June 1, 2017, to file his answer. The Division represented that the complete investigatory file is available to Respondents for inspection and copying. *See* 17 C.F.R. § 201.230(a)(1). After consulting the Division and Harris, I set the following briefing schedule for motions for summary disposition, pursuant to Rule of Practice 250(b), 17 C.F.R. § 201.250(b):

June 16, 2017: Motions for summary disposition are due.

July 7, 2017: Opposition briefs are due.

July 17, 2017: Reply briefs, if any, are due.

Electronic courtesy copies of the parties' submissions may be emailed to ALJ@sec.gov in PDF text-searchable format. Electronic copies of exhibits should not be combined into a single PDF file, but sent as separate attachments.

I will determine whether it is necessary to hold a hearing after considering the parties' briefs.

In closing, I found that Alfaya had failed to appear at the prehearing conference, and the Division recounted its efforts to contact Alfaya, which included provision by mail and email of my April 24, 2017, order scheduling the conference. *See Talman Harris*, 2017 SEC LEXIS 1209, at *2. Alfaya is therefore ORDERED to SHOW CAUSE by June 13, 2017, why he should not be found in default and this proceeding determined against him due to his failure to appear at the scheduled prehearing conference or otherwise defend the proceeding. *See Alfaya OIP* at 3; 17 C.F.R. §§ 201.155(a)(1), .221(f). In addition, because he was served with the OIP on May 18, 2017, Alfaya's answer is due June 12, 2017. *Alfaya OIP* at 3; 17 C.F.R. §§ 201.160(b), .220(b). Failure to answer by June 12, 2017, will also be grounds for default. *See Alfaya OIP* at 3; 17 C.F.R. §§ 201.155(a)(2), .220(f).

Cameron Elliot
Administrative Law Judge