

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

Administrative Proceedings Rulings
Release No. 5002 / August 25, 2017

Administrative Proceeding
File No. 3-17699

In the Matter of

**Shervin Neman and
Neman Financial, Inc.**

**Order Following
Prehearing Conference**

Yesterday, I held a telephonic prehearing conference, attended by Respondent Shervin Neman and counsel for the Division of Enforcement, to discuss the Division's motion for summary disposition. The Division has timely filed its motion and reply, but Respondents have not filed an opposition, which was due July 3, 2017. *Shervin Neman*, Admin. Proc. Rulings Release No. 4755, 2017 SEC LEXIS 1164, at *1 (ALJ Apr. 19, 2017).

Based on our discussion, I ORDER Respondents to file a response to the Division's motion for summary disposition by October 13, 2017. The Division may file a reply to Respondents' submission by October 27, 2017.

Respondents' brief must identify in detail each factual statement in the Division's motion that they contend is inaccurate, describe how the statement is inaccurate, and provide or identify evidence supporting Respondents' position. To the extent Respondents seek to subpoena the testimony of witnesses, their brief must identify each witness, describe their anticipated testimony, and explain how that testimony would lead Respondents to prevail in this proceeding. To the extent Respondents seek to subpoena documents, they must specifically describe the documents and what they contain, and indicate where the documents are located and in whose possession they are kept.

Finally, in their brief, Respondents must address why the factors the Securities and Exchange Commission considers in determining whether a sanction is in the public interest weigh against imposing a permanent

industry bar against Respondent Neman and revoking the investment adviser registration of Respondent Neman Financial, Inc. Those factors include: the egregiousness of the respondent's actions; the isolated or recurrent nature of the infraction; the degree of scienter involved; the sincerity of the respondent's assurances against future violations; the respondent's recognition of the wrongful nature of his conduct; and the likelihood that the respondent's occupation will present opportunities for future violations. *Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1979), *aff'd on other grounds*, 450 U.S. 91 (1981).

Jason S. Patil
Administrative Law Judge