

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

Administrative Proceedings Rulings
Release No. 5024 / September 6, 2017

Administrative Proceeding
File No. 3-17950

In the Matter of
David Pruitt, CPA

**Order Following
Prehearing Conference**

Counsel for the Division of Enforcement and for Respondent David Pruitt, CPA, appeared at today's telephonic prehearing conference to discuss (1) the hearing location and (2) Pruitt's motion to compel the Division's compliance with my order granting in part Pruitt's motion for a more definite statement.

As for the hearing location, the parties have agreed that the hearing should be held in New York, New York. I will notify the parties of the exact location at a later date.

Pruitt's motion to compel relates to the allegation in the order instituting this proceeding (OIP) that Pruitt "willfully violated Section 13(b)(5) of the [Securities Exchange Act of 1934], which prohibits any person from knowingly circumventing or knowingly failing to implement a system of internal accounting controls." OIP ¶ 44. As a result of earlier motion practice, the Division has provided a list of sixteen internal controls that Pruitt allegedly circumvented or failed to implement. During the prehearing conference, I ordered that if the Division identifies additional internal controls relevant to this charge, it must show cause for adding those internal controls to the list, and Pruitt will have an opportunity to respond. In addition, I ordered the Division to provide, by September 20, 2017, a brief detailing the factual allegations in the OIP that support the "system of internal accounting controls" charge. *See* 17 C.F.R. § 201.222(a). In light of

the foregoing and the discussion during the conference, Pruitt's motion to compel is denied as moot.

James E. Grimes
Administrative Law Judge