

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

Administrative Proceedings Rulings
Release No. 5975 / September 14, 2018

Administrative Proceeding
File No. 3-18411

In the Matter of
Wedbush Securities, Inc.

**Second Order Amending
Prehearing Schedule**

This proceeding had been stayed by order of the Securities and Exchange Commission from June 21, 2018, through August 22, 2018, in light of the Supreme Court's decision in *Lucia v. SEC*, 138 S. Ct. 2044 (2018). *Pending Admin. Proc.*, Securities Act of 1933 Release No. 10536, 2018 SEC LEXIS 2058 (Aug. 22, 2018). Prior to the stay, I had set and amended a prehearing schedule for the hearing scheduled to commence in December 2018. *Wedbush Sec., Inc.*, Admin. Proc. Rulings Release No. 5699, 2018 SEC LEXIS 995 (Apr. 26, 2018); *Wedbush Sec., Inc.*, Admin. Proc. Rulings Release No. 5807, 2018 SEC LEXIS 1443 (June 19, 2018). On September 6, 2018, the parties informed the Chief Administrative Law Judge that they elected to proceed before me and that Respondent waived any claim or entitlement under *Lucia* to a new hearing before another judge or the Commission itself. Respondent specifically waived any objection to this proceeding and the orders issued in it based on alleged or actual defects in the appointment or removal protections of the Commission's administrative law judges.

On September 13, 2018, the parties submitted a joint letter proposing an amended prehearing schedule. Because Respondent has waived *Lucia*-based objections to the existing administrative record, there is no need to revisit my prior orders or the parties' previous filings.¹ I therefore find good cause to

¹ The hearing guidelines established by order issued April 26, 2018, will continue to apply. *See Wedbush Sec.*, 2018 SEC LEXIS 995, at *3–8.

revise the schedule as requested² to account for the period during which this proceeding was stayed.

The schedule is AMENDED as follows:

- October 22, 2018: Last day for parties to seek amended deposition of fact witnesses, if any.
- November 16, 2018: Parties identify expert witnesses, if any.
- November 30, 2018: Deadline to complete fact witness depositions.
- December 10, 2018: Exchange and file expert reports, if any.
- December 17, 2018: Last day for parties to seek deposition subpoenas for expert witnesses.
- December 21, 2018: Last day for parties to file motions for summary disposition.
- January 22, 2019: Deadline to complete expert depositions and for parties to seek subpoenas for hearing witnesses, if any.³
- February 11, 2019: Exchange of exhibits, witness lists, and hearing exhibits (premarked).
- February 19, 2019: Motions in limine and objections to exhibit and witness lists due.
- February 25, 2019: Responses to motions in limine due; prehearing briefs, if any, are due.⁴

² I have extended two of the proposed deadlines by one day each to account for federal holidays.

³ The parties are encouraged to submit requests for such subpoenas in advance of this deadline.

Week of February 25, 2019: Final prehearing conference, time to be determined later.

Week of March 4, 2019: Hearing commences in Los Angeles, California, and continues for approximately five days.

Six weeks after hearing concludes: Division's initial post-hearing brief due.

Three weeks after Division's brief: Respondent's post-hearing brief due.

Ten days after Respondent's brief: Division's reply due.

James E. Grimes
Administrative Law Judge

⁴ Prehearing briefs are optional. The parties should note, however, that I do not normally entertain opening statements and that a prehearing brief serves as the party's opening statement.