

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

Administrative Proceedings Rulings
Release No. 6203 / October 17, 2018

Administrative Proceeding
File No. 3-18461

In the Matter of
Universal Bioenergy, Inc.

**Order Following
Prehearing Conference**

Yesterday afternoon, I held a telephonic prehearing conference with Solomon RC Ali, acting chief executive officer of Universal Bioenergy, Inc., and counsel for the Division of Enforcement. We discussed the status of the proceeding, including the production of the investigative file, and the parties' proposals for the conduct of further proceedings.

I first asked Mr. Ali to clarify several equivocal responses in the answer that Universal Bioenergy submitted on May 24, 2018, to comply with the requirements of Rule of Practice 220(c), 17 C.F.R. § 201.220(c). Based on Mr. Ali's replies, Universal Bioenergy's answer is AMENDED as follows:

- 2.i. Universal Bioenergy admits the allegations in paragraph 2.i of the order instituting proceedings (OIP).
- 2.ii. Universal Bioenergy admits the allegations in paragraph 2.ii of the OIP.
- 2.iii. Universal Bioenergy does not have enough information to respond to the allegations in paragraph 2.iii of the OIP.
3. Universal Bioenergy does not have enough information to respond to the allegations in paragraph 3 of the OIP.

The Division represented that between May and August 2018 it had produced the complete investigative file in a format chosen by Mr. Ali. The

production included approximately 100,000 documents from a related proceeding that Mr. Ali requested but that the Division does not believe are relevant to this proceeding. Mr. Ali did not dispute that the Division produced the file in Universal Bioenergy's chosen format but maintained that it was not useful as produced due to the volume of documents produced. If Universal Bioenergy believes that the Division has not complied with its obligations under Rule of Practice 230, 17 C.F.R. § 201.230, it may file an appropriate motion by October 26, 2018.

Finally, after consulting the parties, I ORDER that the Division's motion for summary disposition is due on October 30, 2018; Universal Bioenergy's opposition is due on November 13, 2018; and the Division's reply, if any, is due on November 20, 2018. *See* 17 C.F.R. §§ 201.154(b), .161(a), .250(f)(2). The motion should include legal analysis and evidentiary support for the allegations and requested sanction in accordance with *Rapoport v. SEC*, 682 F.3d 98, 108 (D.C. Cir. 2012), and *Ross Mandell*, Securities Exchange Act of 1934 Release No. 71668, 2014 WL 907416, at *2 (Mar. 7, 2014), *vacated in part on other grounds*, Exchange Act Release No. 77935, 2016 WL 3030883 (May 26, 2016). If Universal Bioenergy wishes to file a dispositive motion, it will follow the same schedule.

In addition to complying with the rules regarding service contained in the Commission's Rules of Practice, courtesy copies of any filings should be e-mailed to my office at alj@sec.gov, in PDF text-searchable format if possible. Exhibits should be e-mailed as separate attachments, not as a combined PDF file, and accompanied by a declaration.

James E. Grimes
Administrative Law Judge