

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

Administrative Proceedings Rulings
Release No. 6472 / February 28, 2019

Administrative Proceeding
File No. 3-17849

In the Matter of

**Angel Oak Capital Partners, LLC,
Peraza Capital & Investment,
LLC,
Sreeniwas Prabhu, and
David W. Wells**

**Notice of Hearing Location and
General Hearing Guidelines**

Hearing Location

The hearing commencing on April 3, 2019, will begin at 9:30 a.m. EDT at the following location:

United States Tax Court
Claude Pepper Federal Building
Room 1524
51 S.W. 1st Avenue
Miami, FL 33130

Hearing Guidelines

I will follow the general guidelines described below during these proceedings. The parties should review what follows *and promptly raise any objections they may have to these guidelines.*

1. **Exhibits.** The parties should confer and attempt to stipulate to the admissibility of exhibits. To avoid duplication of exhibits, the parties should identify joint exhibits. Exhibits are not filed with the Office of the Secretary until the close of the hearing at my instruction.

2. **Exhibit lists.** A comprehensive exhibit list prevents a party opponent from being surprised in the middle of the hearing. Exhibit lists shall be exchanged among the parties and should include all documents that a party expects to use in the hearing for any purpose. This includes documents that are relevant only for impeachment purposes or which are presumptively inadmissible. Each party should serve its opponent with any amendments to its exhibit list. Because I rely on the parties' exhibit lists, the parties should provide me with a paper copy of their final exhibit lists at the beginning of the hearing. There is no need to submit exhibit lists to my office before the hearing. Following the hearing, I will issue a separate order directing the parties to file a list of all exhibits, admitted and offered but not admitted, together with citations to the record indicating when each exhibit was admitted.
3. **Hearing schedule.** The first day of the proceeding will begin at 9:30 a.m. Unless circumstances require a different schedule, we will begin each subsequent day at 9:00 a.m. Each day of the proceeding should last until at least 5:00 p.m. I generally take one break in the morning, lasting about fifteen minutes, and at least one break in the afternoon. I generally break for lunch between noon and 12:30 p.m., for about one hour.
4. **Hearing issues – Examination.**
 - a. In general, the Division of Enforcement presents its case first because it has the burden of proof. Respondent then presents its case. If necessary, the parties may agree to proceed in some other order and may take witnesses out of order.
 - b. If the Division calls a non-party witness that Respondent also wishes to call as a witness, Respondent should cross-examine the witness as if it were calling the witness in its own case. This means that Respondent's cross-examination of the witness in this circumstance may exceed the scope of what was covered by the Division's direct examination of that same witness. This will avoid the need to recall a witness just so the witness can testify for Respondent's case.
 - c. In general, cross-examination may be conducted by leading questions, even as to Division witnesses that Respondent wishes to call in its own case. Except that if Respondent's officers are called as witnesses in the Division's case, Respondent's counsel may not ask leading questions on cross-examination. Similarly, if

a Commission employee is called as a witness for Respondent, the Division may not ask leading questions on cross-examination.

- d. Avoid leading questions on direct examination. Leading questions during direct examination of a non-hostile witness are objectionable. Repeatedly having to rephrase leading questions slows down the hearing.
5. **Pleadings.** Posthearing briefs are limited to 14,000 words.¹ Parties may seek leave to exceed this limit through a motion filed seven days before the relevant briefing deadline. To enhance the readability of pleadings, I urge counsel to limit the use of acronyms to those that are widely known.² For the same reason, I ask that counsel use the same font size in footnotes as that used in the body of a pleading.

James E. Grimes
Administrative Law Judge

¹ *Cf.* 17 C.F.R. § 201.450(c) (imposing a word-limit for briefs filed before the Commission).

² *See Del. Riverkeeper Network v. FERC*, 753 F.3d 1304, 1320–21 (D.C. Cir. 2014) (Silberman, J., concurring).