

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 87197 / October 2, 2019

Admin. Proc. File No. 3-19506

In the Matter of

GREEN BALLAST, INC., AND
LITHIUM EXPLORATION GROUP, INC.

ORDER REQUESTING ADDITIONAL WRITTEN SUBMISSIONS

On September 24, 2019, the Securities and Exchange Commission issued an order instituting administrative proceedings (“OIP”) against Lithium Exploration Group, Inc. (“Lithium”), pursuant to Section 12(j) of the Securities Exchange Act of 1934.¹ The OIP required that Lithium’s answer to the OIP be filed within 10 days of service of the OIP.² The OIP also called the parties’ attention to Rule 151(b) and (c) of the Commission’s Rule of Practice, which provide that “all papers . . . shall be filed with the Office of the Secretary and all motions, objections, or applications will be decided by the Commission.” The OIP also “request[ed] that an electronic *courtesy copy* of each *filing* should be emailed to APFilings@sec.gov in PDF text-searchable format.”³

On September 26, 2019, the Commission received at the APFilings@sec.gov mailbox an email from Alex Walsh, Lithium’s CEO, with the following text:

“To Whom It May Concern,
“We have been working tirelessly to complete our June 30, 2018
Form 10K and have completed all of the financial statements
through June 30, 2019 in preparation for the second audit.

¹ *Green Ballast, Inc.*, Exchange Act Release No. 87083, 2019 WL 4670682 (Sept. 24, 2019), <https://www.sec.gov/litigation/admin/2019/34-87083.pdf>. The OIP also instituted proceedings against Green Ballast, Inc. This order does not apply to Green Ballast.

² *Id.* at *2; 17 C.F.R. § 201.220(b).

³ *Green Ballast*, 2019 WL 4670682, at *3 (emphasis added); *see* Rule of Practice 151, 17 C.F.R. § 201.151, <https://www.sec.gov/about/rules-of-practice-2019.pdf>.

“We engaged our auditors last week but are unclear about if we should stop that process or continue? Is there any way to give us 60 days grace to get current?”

“Thanks in advance for your feedback.

“AW.”

Because Walsh did not include a certificate of service as required by Rule of Practice 151(d),⁴ we cannot discern whether Lithium served this request on the Division of Enforcement consistent with Rule of Practice 150.⁵ We call Lithium’s attention to Rules of Practice 150 through 153 (as modified pursuant to Rule 100(c) as set forth in the OIP), which require that parties serve papers on each other and file those papers with the Commission’s Office of the Secretary.⁶ We also call the parties’ attention to the Commission’s rules governing *ex parte* communications with decisional employees relevant to the merits of a proceeding.⁷ Communications sent or forwarded to the APFilings@sec.gov email account, but not served on the other parties, may be deemed prohibited *ex parte* communications.⁸ We also remind the parties that filings emailed to APFilings@sec.gov are courtesy copies only, and are not substitutes for compliance with the Rules of Practice governing service and filing of papers.

⁴ 17 C.F.R. § 201.151(d).

⁵ 17 C.F.R. § 201.150.

⁶ 17 C.F.R. §§ 201.150–.153; *Green Ballast*, 2019 WL 4670682, at *3.

⁷ See Rule of Practice 120(b), 17 C.F.R. § 201.120(b) (“The Commission’s code of behavior regarding *ex parte* communications between persons outside the Commission and decisional employees, 17 C.F.R. 200.110 through 200.114, governs other prohibited communications during a proceeding conducted under the Rules of Practice.”); *id.* § 200.111(a)(1) (“No interested person outside the agency shall make or knowingly cause to be made to any . . . decisional employee an *ex parte* communication relevant to the merits of the proceeding.”). Consistent with the Commission’s *ex parte* communications rules, this order discharges the duties of the Office of the General Counsel, as recipient of Lithium’s *ex parte* communication, in transmitting to the Secretary for placement on the public record of the proceeding the entirety of the written communications received, and for sending copies of it to all participants to the proceeding with respect to which it was made. See *id.* § 200.112(a)–(b).

⁸ Our rules define an *ex parte* communication as “an oral or written communication not on the public record” where copies are not contemporaneously served on other parties consistent with Rule of Practice 150. 17 C.F.R. § 200.111(d)(1). For Commission employees, the potential sanctions for making an unauthorized *ex parte* communication include “censure, suspen[sion], or dismiss[al].” *Id.* § 200.114(c). For persons outside the Commission, the potential sanctions include discipline of the privilege to practice before the Commission, see *id.* § 200.114(a), and adverse action on a claim or interest in a proceeding, see *id.* § 200.114(b).

To the extent that Lithium's email can be construed as a motion, it does not meet the procedural requirements of a motion under our Rule of Practice 154.⁹ Additionally, Lithium's email neither "set[s] forth the relief or order sought" nor identifies the legal basis "and authorities" for such relief.¹⁰ Lithium's email purports to seek clarification about whether its auditors "engaged . . . last week" should "stop . . . or continue" work on the firm's audit, and requests "60 days grace to get current." As for its request about its auditors' ongoing work, it is unclear what order Lithium seeks that the Commission may issue. And it is likewise unclear whether Lithium seeks a stay of these proceedings or an extension of time to file its answer to the OIP, and the basis, if any, for such request. Under the circumstances, we have determined to request additional written submissions to aid the Commission's decisional processes.

Accordingly, it is ORDERED that if Lithium wishes to renew its request for relief it shall file and serve consistent with the Rules of Practice a motion no later than October 9, 2019. The Division may file and serve an opposition five days after service of the motion, and Lithium may file and serve a reply brief within three days after service of the opposition.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Vanessa A. Countryman
Secretary

⁹ 17 C.F.R. § 201.154(a) (requiring that a motion "shall be served in accordance with Rule 150, be filed in accordance with Rule 151, meet the requirements of Rule 152, and be signed in accordance with Rule 153").

¹⁰ *Id.* ("[A] motion shall be made in writing, shall state with particularity the grounds therefor, shall set forth the relief or order sought, and shall be accompanied by a written brief of the points and authorities relied upon.").