

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 1248/February 18, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15696

In the Matter of :
: ORDER POSTPONING HEARING
SHAWN C. HEGEDUS : AND SCHEDULING PREHEARING
: CONFERENCE

The Securities and Exchange Commission (Commission) issued an Order Instituting Proceedings (OIP) on January 28, 2014, alleging that Shawn C. Hegedus (Hegedus) was criminally convicted on entry of a guilty plea to one count of conspiracy to commit money laundering and one count of conspiracy to commit insider trading, including conspiracy to violate Sections 10(b) and 32 of the Securities Exchange Act of 1934 (Exchange Act) and Exchange Act Rules 10b-5 and 10b5-2, in United States v. John W. Femenia (Hegedus), No. 3:12-cr-386 (W.D.N.C. Sept. 23, 2013). Commission Rule of Practice 220 requires an Answer to the OIP twenty days after service of the OIP. See 17 C.F.R. § 201.220(b); OIP at 2. Service of the OIP can be accomplished by sending a copy to the individual by U.S. Postal Service certified mail and obtaining a confirmation of receipt. See 17 C.F.R. § 201.141(a)(2)(i). The OIP was sent to Hegedus via certified mail at the Mecklenburg County Jail, PID # 377806, P.O. Box 34429, Charlotte, North Carolina 28234-4429. An official at the jail, however, informed this Office that the jail does not accept certified mail requiring return receipt and, hence, mail sent to Hegedus was returned to the Commission.

Ruling

To allow time for service and for Hegedus to answer to the OIP, I POSTPONE the hearing currently scheduled for February 27, 2014, and ORDER a telephonic prehearing conference at 10:30 a.m. EDT on Wednesday, March 26, 2014, with the expectation that the Division of Enforcement (Division) will accomplish service by then. I will find Hegedus in default and grant the relief requested by the Division if Hegedus does not answer the OIP, participate in the prehearing conference, or otherwise defend the proceeding. See 17 C.F.R. §§ 201.155(a), .220(f), .221(f).

Brenda P. Murray,
Chief Administrative Law Judge