

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 2820/June 16, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16498

In the Matter of

RUSSELL C. SCHALK, JR.

SCHEDULING ORDER

The Securities and Exchange Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings (OIP) in this matter on April 17, 2015. According to the OIP, Respondent submitted an Offer of Settlement, which the Commission determined to accept, and consented to disgorgement of \$1,472,959, prejudgment interest of \$280,271.55, and a third-tier civil penalty of \$1,600,000. OIP at 13. The OIP orders additional proceedings to determine Respondent's ability to pay.

In accordance with my Order following the prehearing conference held on June 9, 2015, Mr. Schalk notified my Office today that he would like to proceed by motion, thus waiving his right to a hearing. *See Russell C. Schalk, Jr.*, Admin. Proc. Rulings Release No. 2785, 2015 SEC LEXIS 2279 (June 9, 2015). I ORDER the following briefing schedule:

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| July 28, 2015: | Mr. Schalk's motion presenting evidence of his inability to pay is due. Mr. Schalk should include a financial disclosure statement, as described in Commission Rule of Practice 630, 17 C.F.R. § 201.630, and any other evidence or affidavits that support his claim. Mr. Schalk has the burden of proof to establish his inability to pay claim. <i>See Terry T. Steen</i> , Exchange Act Release No. 40055, 1998 SEC LEXIS 1033, at *21 (June 1, 1998). |
| August 18, 2015: | The Division of Enforcement's opposition is due. |
| September 1, 2015: | Mr. Schalk's reply is due. |

If Mr. Schalk would like any of the information he or the Division submits to be kept confidential, he may make a motion, pursuant to Rule 322, for the issuance of a protective order. *See* 17 C.F.R. § 201.630(c).

SO ORDERED.

James E. Grimes
Administrative Law Judge