

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9910 / September 9, 2015

SECURITIES EXCHANGE ACT OF 1934
Release No. 75864 / September 9, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4191 / September 9, 2015

INVESTMENT COMPANY ACT OF 1940
Release No. 31810 / September 9, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16801

In the Matter of

**BENNETT GROUP
FINANCIAL SERVICES, LLC**

and

DAWN J. BENNETT,

Respondents.

**ORDER INSTITUTING
ADMINISTRATIVE AND CEASE-AND-
DESIST PROCEEDINGS PURSUANT
TO SECTION 8A OF THE SECURITIES
ACT OF 1933, SECTIONS 15(b) AND
21C OF THE SECURITIES EXCHANGE
ACT OF 1934, SECTIONS 203(e), 203(f),
AND 203(k) OF THE INVESTMENT
ADVISERS ACT OF 1940, AND
SECTION 9(b) OF THE INVESTMENT
COMPANY ACT OF 1940**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”), and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) against Bennett Group Financial Services, LLC (“Bennett Group”) and Dawn J. Bennett (“Bennett”).

II.

After an investigation, the Division of Enforcement alleges that:

A. SUMMARY

1. From at least 2009 through February 2011, Bennett Group and its founder, majority owner, and Chief Executive Officer, Bennett, made material misstatements and omissions regarding assets that were purportedly “managed” for investors and regarding investment returns for the purpose of retaining existing customers and attracting new customers. Then, during the investigation of this matter, Bennett and Bennett Group made additional misstatements in an effort to obstruct the investigation and to “cover up” their prior fraud.

2. In short, Bennett and Bennett Group grossly overstated the amount of assets they “managed,” by at least \$1.5 billion, in a calculated effort to inflate their profile and prestige. They made the false and fraudulent claims to a national financial advisor ranking service knowing that the ranking service would publish the misstatements. They also made the misstatements on a Washington, D.C.–area radio program hosted by Bennett, and in a variety of other advertisements and communications with existing and prospective customers and clients. The purpose of these overstatements was to create the impression that Bennett and Bennett Group were larger and more successful players in the industry than they were.

3. Bennett and Bennett Group also made material misstatements and omissions during the radio show regarding Bennett Group’s investment returns and performance. Bennett frequently touted her firm’s highly profitable investment returns and claimed that those returns placed Bennett Group in the “top 1%” of firms worldwide. In violation of her legal disclosure duties and specific advice she received, Bennett failed to disclose that the purported “returns” were simply those of a “model portfolio” and did not reflect actual customer returns.

4. In addition to the material misstatements and omissions about these matters, Bennett and Bennett Group failed to adopt and to implement adequate written policies and procedures related to the calculation and advertisement of assets managed and of investment returns.

5. During the investigation of this matter, in order to substantiate their prior fraudulent claims regarding assets managed and to obstruct this investigation, Respondents made additional false statements. They falsely asserted that they gave advice regarding short-term cash management to three corporate clients regarding over \$1.5 billion in corporate assets. In reality, they never provided the advice, and these were simply lies meant to deceive the Division of Enforcement. Bennett and Bennett Group never provided any form of management for assets in excess of approximately \$407 million.

B. RESPONDENTS

6. Bennett Group is a Delaware limited liability company and financial services firm headquartered in Chevy Chase, Maryland. At the relevant time, most key Bennett Group employees were registered representatives associated with Western International Securities, Inc. (“Western Securities”), a broker-dealer registered with the Commission, and almost all of Bennett Group’s revenue was generated through commissions earned by the registered representatives, who provided nondiscretionary services. In 2008, Bennett Group registered with the Commission as an investment adviser and withdrew that registration in October 2013. Bennett owns approximately ninety-five percent of Bennett Group and controls (and at all relevant times controlled) all aspects of Bennett Group’s operations.

7. Bennett, age 53, lives in Chevy Chase, Maryland. She is, and at all relevant times was, the founder, Chief Executive Officer, and majority owner of Bennett Group. Bennett has been a registered representative affiliated with various registered broker-dealers since at least February 1987. Bennett holds, and at all relevant times held, Series 7, 63, and 65 securities licenses. Bennett was the subject of two arbitration proceedings in 2014 in which the complainants were awarded compensation as a result of churning, unauthorized trading, and unsuitability.

C. FACTS

(i) BENNETT AND HER FIRM MADE MATERIAL MISSTATEMENTS AND OMISSIONS REGARDING ASSETS “MANAGED”

8. From at least 2009 through 2011, Bennett and Bennett Group falsely claimed to be managing assets totaling \$1.1 billion to over \$2 billion, including through a nationally circulated industry periodical that ranked financial advisors and through a variety of other advertisements and communications directed to existing and prospective customers and clients. In reality, the most Bennett and her firm could, in any sense, be said to be managing during the relevant period was approximately \$407 million.

9. Bennett and her firm misrepresented the amount of assets managed in order to inflate their stature and thereby attract new customers and clients to the firm by creating the impression that they were larger and more successful players than they in fact were. At the time Respondents made these misstatements, they had a fledgling investment advisory business that they hoped to bolster by attracting new advisory clients, lured by their claims of industry success and impressive investment returns.

10. After Bennett and Bennett Group made their false and fraudulent claims regarding assets managed, prospective customers and clients became customers and clients,

thereby generating compensation for Bennett and Bennett Group, including in the form of brokerage commissions generated through the purchase or sale of securities. Further, existing customers and clients bought or sold securities through Bennett and her firm after receiving the false and fraudulent communications, which generated compensation, including commissions, for Bennett and her firm.

11. From 2009 through 2011, Bennett and Bennett Group made three submissions to Barron's magazine for its rankings of independent financial advisors.

12. In these submissions to Barron's, Bennett and Bennett Group falsely claimed that they managed assets of between \$1.1 billion and \$1.8 billion. Barron's used these submissions when compiling and publishing various rankings of financial advisors. As a result of the submissions, Barron's: (a) ranked Bennett fifth in the category of "Top 100 Women Financial Advisors" in its June 9, 2009, issue (based on purported managed assets of \$1.1 billion); (b) ranked Bennett twenty-sixth in the category entitled "Top 100 Independent Financial Advisors" in its August 9, 2009, issue (based on purported managed assets of \$1.3 billion); and (c) ranked Bennett second in its listing of the "2011 Top Advisors" in Washington, D.C. (based on purported managed assets of \$1.8 billion).

13. Bennett and her firm made additional false statements to Barron's, which, in turn, were published by the magazine. In 2011, Bennett and her firm claimed that the typical size of a Bennett Group account was \$3 million. In reality, at the time, only 1% of Bennett Group customers and clients had account values of \$3 million or more. Bennett and her firm also falsely claimed in 2011 that the firm's minimum account size was \$2 million. In fact, at the time, 98% of customer and client accounts were under that threshold. As with the fraudulent claims about assets managed, the Respondents made these fraudulent statements to Barron's knowing that they would be reprinted and distributed to the public, including to current and prospective customers and clients, and that their publication would bolster Bennett and Bennett Group, thereby inducing existing customers and clients to remain and enticing prospective clients and customers to hire Bennett Group.

14. After publication in Barron's, Bennett and Bennett Group promoted their Barron's rankings and repeated the misrepresentations contained in the Barron's publications through e-mail, the firm's Web site, social media, article reprints, and other means to existing and prospective customers and clients.

15. For example, Bennett directed firm employees to send marketing e-mails to current and prospective customers and clients touting her ranking as "#4 [sic] on Barron's list of 'Top 100 Women Financial Advisors'" and claiming that she and the firm had "assets under management of \$1.5 billion."

16. On or about June 26, 2010, Bennett Group ordered 1,125 copies of the Barron's issue ranking Bennett as fifth in its "Top 100 Women Financial Advisors." Bennett Group then sent at least 125 copies of the Barron's article to existing and prospective customers and clients.

17. In at least 2010 and 2011, Bennett Group's Web site linked users to various articles written by Bennett in which she touted the Barron's rankings. In addition, Bennett and Bennett Group frequently referred to the Barron's rankings in e-mail messages and other communications with existing and prospective customers and clients.

18. On or about May 9, 2010, Bennett began hosting a weekly radio show called "Financial Myth Busting with Dawn Bennett" ("Financial Myth Busting") on a Washington, D.C.-area AM radio station. Bennett Group paid for the show, and Bennett hosted it and determined all of its content.

19. On "Financial Myth Busting," Bennett would tout Bennett Group and its services. And Bennett and the firm would promote the show to existing and prospective customers and clients, including by adding references to "our highly regarded weekly talk radio program-Financial Mythbusting" (or the like) to proposal packages prepared for prospective customers and clients and to e-mail messages sent by Bennett Group employees.

20. During at least 18 "Financial Myth Busting" radio programs aired from May 9, 2010, through January 30, 2011, Bennett falsely claimed that she and Bennett Group managed assets ranging from \$1.5 billion to over \$2 billion. Bennett and Bennett Group also fraudulently claimed that they managed "\$1.5 billion of client assets" on the "Facebook" information page they maintained for the "Financial Myth Busting" show.

21. Contrary to their claims regarding managed assets, Bennett and Bennett Group never provided any form of management for assets in excess of at most approximately \$407 million (which included approximately \$1.1 million in advisory assets, \$67 million in pension consulting assets, and \$338 million in brokerage assets).

22. Bennett's and Bennett Group's misstatements and omissions regarding assets managed were material. Among other things, investors use facts about assets managed to draw conclusions about a firm's size, skills, and abilities.

23. With respect to the above-referenced misstatements and omissions, Bennett and Bennett Group acted with scienter, in that, inter alia, they knew or were reckless in not knowing that the information that they were providing to existing and prospective customers and clients was wholly contrived and unsubstantiated.

(ii) DURING THE STAFF'S EXAMINATION AND INVESTIGATION, BENNETT AND BENNETT GROUP PROVIDED FALSE INFORMATION ABOUT ASSETS MANAGED, IN ORDER TO "SUBSTANTIATE" HER CLAIMS AND TO OBSTRUCT THE INVESTIGATION

24. When questioned during the examination and subsequent investigation about the basis for the claims of assets managed, Bennett and Bennett Group made a series of false statements, in an effort to substantiate the claims and to obstruct the staff's examination and investigation.

25. Among other things, Bennett and her firm asserted that the claims of approximately \$2 billion of assets managed were defensible because she provided uncompensated short-term cash management advice to three corporate clients, “Company A,” “Company B,” and “Company C.” Bennett even went so far as to identify individuals at the clients, with whom she had communicated about short-term cash management or otherwise would be knowledgeable about the subject. Further, she produced copies of “Project Request Forms” and other documents that purported to set forth information relating to the advice given to these clients. According to Bennett and Bennett Group, the aggregate assets of those Companies, brokerage assets, pension funds, and other advisory assets, substantiated the claims in Barron’s, on the radio show, and in other communications.

26. Bennett’s and Bennett Group’s claims regarding short-term cash management advice for Company A, Company B, and Company C were entirely fictitious. Individuals at Companies A, B, and C (including, in certain instances, ones identified by Bennett) either did not know her or her firm, did not communicate with them regarding short-term cash management, were not at the respective company at the time, or were incapacitated or dead. Further, as to the “Project Request Forms” and other documents, when asked to produce for inspection the originals thereof, Bennett and Bennett Group were unable to do so, claiming that they were “lost” in an office move after the inception of the staff’s investigation.

27. In any event, the supposed communications by Bennett with Company A, Company B, and Company C do not constitute the “management” of assets in any sense of the term. Informal and uncompensated conversations about what entities might want to do with assets (which are not held in any account serviced by the brokerage or advisory firm) cannot meaningfully be described as the management of those assets. At a minimum, if Bennett and Bennett Group wanted to “count” such assets among those promoted or advertised as managed by them, then they needed to fully disclose the nature of such “management,” including that it merely consisted of informal advice regarding funds not held in any brokerage or investment advisory account serviced by Bennett Group and that Bennett and Bennett Group received no compensation for the service. No such disclosures were ever provided.

(a) Company A

28. Company A is a South Africa–based telecommunications firm.

29. From approximately March 1, 2006, through March 31, 2011, Bennett served as financial advisor to the investment committee overseeing the 401(k) retirement plan for Company A’s employees in the United States. In this role, she communicated with Company A’s human resources director in Virginia, occasionally attended meetings of the company’s 401(k) committee, provided investment recommendations for the 401(k) plan, and monitored the performance of the selected mutual funds. The total amount of

employee assets in the 401(k) plan during her tenure as advisor was approximately \$40 million.

30. During a 2011 examination, Bennett and Bennett Group said that they included within the assets managed figure approximately \$706 million of Company A's cash assets, for which Bennett and Bennett Group supposedly provided short-term investment advice.

31. When Bennett first testified during the investigation in December 2013, she said that, during weekly telephone calls between 2005 and 2011, she gave advice to the Chief Financial Officer of Company A's U.S.-based business unit ("CFO"), about how to manage over \$1 billion in Company A cash. However, CFO had left Company A in February 2006. Upon testifying a second time in January 2015, Bennett changed her story and said that she actually provided the advice to CFO's successor ("Successor"). This iteration of Bennett's story was also false and was undercut by Successor's testimony that he never received such advice from Bennett or anyone else at Bennett Group.

32. Bennett and Bennett Group also produced—between her first and second testimonies—copies of "Project Request Forms" and other documents that purportedly substantiated her claim to have given short-term cash management advice to Company A with respect to as much as \$1.575 billion in cash. These documents had been called for by subpoena prior to the first testimony but were not produced until later. Bennett and Bennett Group failed to produce the originals of these documents because they purportedly were lost during a move of the Bennett Group's offices.

33. Bennett also produced an affidavit from Company A's former Chief Operating Officer ("COO"), in which he purported to have indirect knowledge of the short-term cash management advice that Bennett provided. According to the affidavit, COO received "regular briefings" from CFO and Successor about the advice. But, at subsequent testimony, COO retracted the pertinent parts of the affidavit. Given this testimony, it is unclear why COO made the initial averments, but it came to light during Bennett's second testimony that she and COO had a personal relationship.

34. Not only was it the case that no Company A representative would substantiate Bennett's claims, but Company A did not even have that much cash during the relevant period. Indeed, a high-ranking, South Africa-based Company A executive gave the staff a declaration stating that: company investment decisions were made by officials in South Africa (and not the United States); he had never communicated with Bennett or any other Bennett Group employee; he had never heard of Bennett or her firm before; and, in fact, since 2000, the company at no time had more than \$650 million in cash assets.

35. In short, Bennett's claims of providing advice to Company A were fictitious, and it appears that Bennett attempted to mislead the Division of Enforcement and obstruct this investigation.

(b) Company B

36. Company B is a Virginia-based travel agency. Bennett and Bennett Group advised Company B's 401(k) plan from approximately 1988 until 2012, when she was terminated by Company B. The largest amount of employee assets in the plan during Bennett's tenure was approximately \$35 million.

37. In addition to the \$35 million, Bennett testified that she advised Company B on short-term investments of approximately \$150 million. Bennett also claimed the first time she testified that her communications about this subject were limited to weekly conversations with Company B's founder and owner ("Company B Founder"). However, Company B Founder's widow ("Widow") said that Company B Founder died in 2011, had been incapacitated by illness since 2004, and was not involved in Company B's business after the onset of his illness. Widow (who herself was involved in Company B's business) also stated that she had never spoken to Bennett about short-term investments, that Bennett Group's only role vis-à-vis Company B was with respect to the 401(k) plan, and that from at least 2008 Company B had no assets available for short-term or other investment.

38. Upon being confronted with the fact that Company B Founder was either deceased or incapacitated at the time Bennett claimed to be speaking with him, Bennett changed her story. Bennett testified that the communications regarding short-term cash management had been with Widow and not her husband. As noted above, Widow does not support this new story either.

(c) Company C

39. Bennett provided financial advisory services to the investment committee of Company C from 2006 to October 27, 2009. Company C is a Virginia-based historical preservation group. From 2006 to 2009, Company C had endowment funds of approximately \$100 million.

40. On October 27, 2009—the date Company C terminated her services—Company C directed Bennett to immediately transfer all funds she managed to Company C's bank account.

41. Despite this, Bennett and Bennett Group produced documents during this investigation to support the assertion that she continued to provide short-term cash management advice free of charge through April 2010. And, at her second testimony, Bennett claimed that the advice to Company C likely continued into 2010, which, as noted above, was after the time of her termination.

(iii) BENNETT AND BENNETT GROUP ALSO MADE MATERIAL MISREPRESENTATIONS AND OMISSIONS REGARDING THEIR INVESTMENT RETURNS

42. Bennett touted Bennett Group's investment returns and performance during her "Financial Myth Busting" radio program without disclosing that the returns were for a Bennett Group "model portfolio" and were not representative of actual investor performance. Bennett Group reported model returns and compared them to benchmarks such as the Standard & Poor's 500 index ("S&P 500"): 6.06% (vs. negative 37% for S&P 500) in 2008; 42.48% (vs. 26.47% for S&P 500) in 2009; and 31.06 % (vs. 15.06 % for S&P 500) in 2010.

43. During various "Financial Myth Busting" broadcasts occurring between May 2010 and February 2011, Bennett represented these returns as actual returns. She also claimed on numerous occasions that Bennett Group's returns ranked in the top 1% of investment advisers worldwide in investment performance. In reality, a significant portion of Bennett Group customer accounts were not invested in accordance with the model.

44. At no time during the radio shows did Bennett disclose that the returns she touted were model returns or the fact that actual client returns may differ. Indeed, Bennett Group had actually retained an accounting firm to assist with respect to the model portfolio, and the accounting firm had advised Bennett that such disclosures should be made when making representations regarding returns based on the model portfolio. Despite this—as well as her obligations under the federal securities laws—those disclosures were never made on the radio show.

45. Bennett's and Bennett Group's misstatements and omissions regarding investment returns were material. Investors use facts about investment returns to draw conclusions about a firm's skills and abilities. Further, Bennett and Bennett Group made the above-referenced misstatements and omissions with scienter, in that, *inter alia*, they knew or were reckless in not knowing that they were making material misstatements and omissions.

(iv) BENNETT GROUP LACKED ADEQUATE COMPLIANCE PROCEDURES AND FAILED TO IMPLEMENT THE PROCEDURES IT HAD

46. Bennett Group adopted a "Written Supervisory Policies and Procedures Manual" in June 2009, which was updated at least in June 2010. In adopting such written supervisory policies and procedures, BGFS used an "off-the-shelf" compliance manual that did not tailor to BGFS's specific operations and needs, including for calculation and review of managed assets and appropriate review of advertising and promotional content such as the "Financial Myth Busting" radio show. As a result, BGFS did not adopt a full set of compliance policies and procedures that were customized for its advisory business and reasonably designed to prevent violations by BGFS of the Advisers Act and the rules thereunder.

47. Further, even the inadequate policies and procedures were not implemented. For instance, Bennett made the decisions for the firm—including determination of assets managed and how investment returns would be described on the radio show—with effectively no supervision from anyone at Bennett Group. The manual also specifically detailed the appropriate disclosures for discussions of model performance returns, including disclosures of costs, risks, strategies, and variations from actual client performance, and prohibited advertising that contained any untrue or misleading statements. These provisions, too, were not implemented.

48. Bennett was essentially able to operate Bennett Group unchecked, and her firm's policies and procedures otherwise were not implemented with respect to her claims about assets managed and investment returns. She exploited that circumstance to make outlandish claims to bolster her reputation and that of her firm, so that existing customers and clients would be kept and new ones could be obtained. Once caught, she dissembled further, citing nonexistent conversations with a departed CFO and an incapacitated former executive, regarding entirely fictitious assets.

D. TOLLING OF ANY APPLICABLE LIMITATION PERIODS

49. Bennett and Bennett Group, respectively, signed tolling agreements that tolled any applicable statute of limitations for the period from July 31, 2014, through October 1, 2014, and signed additional tolling agreements that further tolled any applicable statute of limitations for the period from October 1, 2014, through January 2, 2015.

E. VIOLATIONS

50. As a result of the conduct described above, Bennett and Bennett Group willfully violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in the offer and sale of securities and in connection with the purchase or sale of securities.

51. As a result of the conduct described above, Bennett and Bennett Group willfully violated Sections 206(1) and 206(2) of the Advisers Act, which prohibit fraudulent conduct by an investment adviser.

52. As a result of the conduct described above, Bennett Group willfully violated, and Bennett willfully aided and abetted and caused the violations of, Section 206(4) of the Advisers Act and Rule 206(4)-1(a)(5) thereunder, which make it unlawful for an investment adviser to, directly or indirectly, publish, circulate, or distribute any advertisement, which contains any untrue statement of a material fact or which is otherwise false or misleading.

53. As a result of the conduct described above, Bennett Group willfully violated, and Bennett willfully aided and abetted and caused the violations of, Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, which require an investment

adviser to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules promulgated thereunder.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative and cease-and-desist proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondents an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondents Bennett and Bennett Group pursuant to Section 15(b) of the Exchange Act including, but not limited to, disgorgement and civil penalties pursuant to Section 21B of the Exchange Act;

C. What, if any, remedial action is appropriate in the public interest against Respondent Bennett Group pursuant to Section 203(e) of the Advisers Act including, but not limited to, disgorgement and civil penalties pursuant to Section 203 of the Advisers Act;

D. What, if any, remedial action is appropriate in the public interest against Respondent Bennett pursuant to Section 203(f) of the Advisers Act including, but not limited to, disgorgement and civil penalties pursuant to Section 203 of the Advisers Act;

E. What, if any, remedial action is appropriate in the public interest against Respondents Bennett and Bennett Group pursuant to Section 9(b) of the Investment Company Act including, but not limited to, disgorgement and civil penalties pursuant to Section 9 of the Investment Company Act; and

F. Whether, pursuant to Section 8A of the Securities Act, Section 21C of the Exchange Act, and Section 203(k) of the Advisers Act, Respondents should be ordered to cease and desist from committing or causing violations of and any future violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, Sections 206(1), 206(2), and 206(4) of the Advisers Act and Rules 206(4)-1(a)(5) and 206(4)-7 thereunder, whether Respondents should be ordered to pay civil penalties pursuant to Section 8A(g) of the Securities Act, Section 21B(a) of the Exchange Act, and Section 203(i) of the Advisers Act, and whether Respondents should be ordered to pay disgorgement pursuant to Section 8A(e) of the Securities Act, Sections 21B(e) and 21C(e) of the Exchange Act, and Section 203 of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened not earlier than 30 days and not later than 60 days from service of this Order at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondents shall file Answers to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If any Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, Respondent may be deemed in default and the proceedings may be determined against it or her upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondents as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 300 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary