

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 2205/January 9, 2015

ADMINISTRATIVE PROCEEDING
File Nos. 3-16311, 3-16312

In the Matters of

RELIANCE FINANCIAL
ADVISORS, LLC, TIMOTHY
S. DEMBSKI AND WALTER F.
GRENDA, JR.

SCOTT M. STEPHAN

ORDER

The Securities and Exchange Commission instituted these proceedings with Orders Instituting Proceedings on December 10, 2014.

On January 9, 2015, this Office received a report on the initial prehearing conference held by the parties on January 6, 2015 (Report). The parties have jointly requested that the matters be consolidated into one matter for pre-hearing purposes, and the Division and Respondent Stephan request that the matters be consolidated entirely such that the Court will conduct one hearing. The Report states that Respondent Dembski “reserves the right to move for severance for purposes of the hearing” because he is concerned about the prospect of Stephan testifying at a hearing to determine Dembski’s liability. Respondent Grenda has not taken a position regarding the consolidation of the hearings.

I ORDER that, pursuant to Rule 201 of the Commission’s Rules of Practice, 17 C.F.R. § 201.201, Administrative Proceedings 3-16311 and 3-16312 are consolidated in their entirety and one hearing will be held for both.¹

I FURTHER ORDER that the following schedule is adopted:

¹ Given the Division’s representation in the Report that it “anticipates calling Stephan to testify in the *Reliance* matter regardless of whether the hearings are consolidated,” conducting two hearings will not only be inefficient given the relatedness of the cases, but it would also not ameliorate the problem Dembski perceives. Report at 2 (formatting altered).

- March 18, 2015:** Joint filing regarding expert testimony due; motions for summary disposition due, with responses due one week after any motions are filed and replies due one week after the filing of any response;
- April 1, 2015:** Stipulations of facts and to the authenticity and admissibility of documents due;
- April 15, 2015:** Parties shall file witness lists and exhibit lists, and shall exchange, but should not file, pre-marked exhibits;
- April 29, 2015:** Parties shall file prehearing briefs, motions in limine and any objections to witnesses or exhibits; all request for issuance of subpoenas due;
- May 4, 2015:** Parties shall participate in a final telephonic prehearing conference with the hearing officer at 10:00 a.m. EDT;
- May 11, 2015:** Hearing to begin in New York City at a venue to be determined.²

If the parties desire to hold a prehearing conference prior to May 4, 2015, they may contact this Office. The parties should email alj@sec.gov courtesy copies of any filings in this proceeding going forward.

IT IS SO ORDERED.

Jason S. Patil
Administrative Law Judge

² After the close of evidence at the hearing, the parties, in the presence of the hearing officer, will undertake a good faith effort of up to one day to stipulate to all facts and legal principles over which there does not appear to be any genuine dispute. Each party will be expected to exchange, in advance of this process, a list of all such prospective stipulations.