

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

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 2645/May 7, 2015

ADMINISTRATIVE PROCEEDING  
File No. 3-16498

In the Matter of

RUSSELL C. SCHALK, JR.

ORDER POSTPONING HEARING  
AND SCHEDULING PREHEARING  
CONFERENCE

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. A hearing is currently scheduled for May 18, 2015.

The Division represented to this Office that it has conferred with Respondent and that both parties are available for a telephonic prehearing conference on Tuesday, June 9, 2015.

In view of the foregoing, I ORDER that the hearing scheduled to begin on May 18, 2015, is POSTPONED and a telephonic prehearing conference shall be held on June 9, 2015, at 10:00 a.m. EDT. Prior to the prehearing conference, the parties shall confer and discuss potential dates to hold the hearing in this matter.

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James E. Grimes  
Administrative Law Judge