

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 2646/May 7, 2015

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

In the Matters of

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

SCOTT M. STEPHAN

The Securities and Exchange Commission instituted these proceedings on December 10, 2014. A hearing is scheduled to begin on May 11, 2015, at the Thurgood Marshall United States Courthouse, 40 Foley Square, New York, New York, in Courtroom 1505.

On May 6, 2015, I issued a Stay Order as to Respondents Reliance Financial Advisors, LLC, and Walter F. Grenda, Jr., and denied Respondent Timothy S. Dembski's request for a stay as to him (May 6 Order). *Reliance Fin. Advisors, LLC*, Admin. Proc. Rulings Release No. 2641, 2015 SEC LEXIS 1745. To prevent prejudice against Dembski, I also ordered Dembski and Grenda to confer to ensure that Grenda is made available to testify with regard to the charges against Dembski in this proceeding. *Id.* at *2. With respect to Respondent Scott M. Stephan, I noted in a footnote that "regardless of whether his testimony is requested by any other Respondent, I expect to hear him testify in detail concerning his alleged inability to pay and any other mitigating factors relevant to the issue of what disgorgement and civil penalties are appropriate, if any." *Id.*

On May 7, 2015, this Office received a letter from Paul Batista, counsel to Dembski, requesting clarification on whether "footnote 1 was deliberately designed to confine Mr. Stephan's . . . testimony to his financial condition" (Letter). Letter at 2.

The May 6 Order was not intended to suggest that Stephan's testimony will be limited to his inability to pay defense. Dembski may of course examine Stephan on, and Stephan may testify as to, other topics relevant to the allegations in this proceeding.

Jason S. Patil
Administrative Law Judge