

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 2750 / June 1, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-15215

In the Matter of

JAMES S. TAGLIAFERRI

ORDER LIFTING STAY

The Securities and Exchange Commission instituted this administrative proceeding (AP) on February 21, 2013. Since March 11, 2013, this proceeding has been stayed pursuant to Rule of Practice 210(c)(3), 17 C.F.R. § 201.210(c)(3), pending a parallel criminal action in the U.S. District Court for the Southern District of New York against James S. Tagliaferri. Based on the Division of Enforcement's status reports, Tagliaferri has been convicted and sentenced, but the district court reserved decision on the government's request for restitution and set July 2, 2015, as the hearing date on the restitution request.

Tagliaferri requests that I lift the stay and compel the Division to provide him with its investigative file. The Division opposes Tagliaferri's request. It argues that while this matter is stayed, the Division has no obligation to produce its investigative file. Per my directive, the U.S. Attorney's Office for the Southern District of New York submitted a response to Tagliaferri's request. *See James S. Tagliaferri*, Admin. Proc. Rulings Release No. 2717, 2015 SEC LEXIS 2104 (May 26, 2015). It takes "no position" as to Tagliaferri's request, but notes that continuing the stay "would promote judicial economy" because "the scope and nature of any restitution order entered in the criminal case could impact the position of the parties in the AP in regard to any proposed monetary remedy sought in the AP and therefore narrow the scope of issues to be resolved in the AP." In his reply, Tagliaferri argues that although the U.S. Attorney asserts that continuing the stay would promote judicial economy, doing so would have an adverse, prejudicial impact on him.

It is ORDERED that the stay in this proceeding is LIFTED, and the Division shall commence making its investigative file available to Tagliaferri by June 8, 2015, pursuant to Rule of Practice 230, 17 C.F.R. § 201.230. There is no showing that a continued stay is in the public interest or for the protection of investors. The U.S. Attorney does not oppose Tagliaferri's request and does not indicate that lifting the stay would negatively impact the criminal proceeding. To the extent the Division may narrow the scope of remedies it seeks in this proceeding based on the restitution ordered in the criminal proceeding, that issue may be

addressed at a subsequent stage. The Rules of Practice do not contemplate a stay as a matter of convenience.

The parties are directed to confer and report to my Office by June 8, 2015, regarding their availability for a telephonic prehearing conference.

Cameron Elliot
Administrative Law Judge