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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 3205/October 7, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16801

In the Matter of BENNETT GROUP FINANCIAL SERVICES, LLC, and DAWN J. BENNETT	SCHEDULING ORDER

The Securities and Exchange Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings (OIP) in this matter on September 9, 2015. A prehearing conference is currently scheduled for October 22, 2015.

I ORDER the following schedule:

November 23, 2015:	The parties may file motions for summary disposition.
December 7, 2015:	Oppositions to motions for summary disposition are due.
December 17, 2015:	Replies to motions for summary disposition are due.
December 21, 2015:	The parties may file expert reports.
January 5, 2016:	The parties file witness lists and exchange (but do not file) pre-marked copies of exhibits and exhibit lists.
January 11, 2016:	The parties may file rebuttal reports to expert reports.
January 19, 2016:	Motions in limine and objections to exhibits and witnesses are due.
January 25, 2016:	Prehearing briefs are due.
February 1, 2016:	Requests for official notice, stipulations, and admissions of fact are due.
	The parties shall participate in a telephonic prehearing conference, at a time to be determined.

February 8, 2016:	The hearing will begin at 9:30 a.m. EST in Washington, D.C., at Hearing Room 2 located in Commission Headquarters.

The parties are reminded that they must file hard copies of all filings with the Office of the Secretary. *See* 17 C.F.R. §§ 201.151, .152. They are asked to always email courtesy copies of filings to alj@sec.gov in Word and in PDF text-searchable format. Electronic copies of exhibits should not be combined into a single PDF file, but sent as separate attachments, and should be provided in text-searchable format whenever practicable.

Hearing guidelines

I will follow the general guidelines described below during these proceedings. The parties should review what follows and promptly raise any objections they may have to the application of these guidelines in this matter.

1. Settlement. The parties are encouraged to consider whether this matter may be resolved through settlement. If the Division and any Respondent jointly notifies my Office that they require assistance in facilitating settlement negotiations and are willing to participate in good faith in confidential settlement negotiations, I will issue an appropriate order referring the matter to another Administrative Law Judge solely for purposes of settlement. *See Airtouch Commc'ns, Inc*., Admin. Proc. Rulings Release No. 2253, 2015 SEC LEXIS 271 (Jan. 23, 2015). Participation in any settlement negotiation is entirely voluntary. Absent extraordinary circumstances, requests of this nature must be made no later than three weeks before the scheduled hearing date.

2. Subpoenas. My general practice is to sign subpoenas the afternoon after the day they are received, absent notice of an objection. Parties should therefore review requests for subpoenas as soon as they are received. A party's motion to quash will be due within five business days of the submission of the subpoena for signing. Any opposition to the motion to quash will be due within five business days thereafter.

3. Exhibits. The parties shall confer and attempt to stipulate to the admissibility of exhibits. In order to avoid duplication of exhibits, the parties should identify joint exhibits. Because this matter involves multiple respondents, the parties should agree to a consistent nomenclature for identifying exhibits. By way of example, each Respondent's exhibits could be identified using that Respondent's initials.

4. Exhibit lists. A comprehensive exhibit list prevents other parties from being surprised in the middle of the hearing. Given this fact, exhibit lists shall be exchanged among the parties and should include all documents that a party expects to use in the hearing for any purpose. This includes documents that are relevant only for impeachment purposes or which are presumptively inadmissible. The parties should serve their opponents with any amendments to their individual exhibit lists. Because I rely on the parties' exhibit lists, the parties should provide me with a paper copy of their final exhibit lists at the beginning of the hearing. There is

no need in the interim to submit exhibit lists or amendments to my office. Following the hearing, I will issue a separate order directing the parties to file a list of all exhibits, admitted and offered but not admitted, together with citations to the record indicating when each exhibit was admitted.

5. Expert reports and testimony. Expert witness disclosures must, at minimum, comply with Rule 222(b), including the provision of a "brief summary" of an expert's expected testimony. 17 C.F.R. § 201.222(a)(4), (b). Expert reports should be as specific and detailed as those presented under Federal Rule of Civil Procedure 26(a)(2). Failure to comply with these requirements may result in the striking of an expert's report. The filing of the expert's report according to the prehearing schedule essentially constitutes the filing of the expert's direct testimony. During the hearing, the expert will not be subject to direct examination, and will simply be sworn in and proffered for cross-examination. As needed, I will entertain requests for brief direct examination of a party's expert.

6. Hearing schedule. The first day of the proceeding will begin at 9:30 a.m. Unless circumstances require a different schedule, we will begin each subsequent day at 9:00 a.m. Each day of the proceeding should last until at least 5:15 p.m. I generally take one break in the morning, lasting about 15 minutes, and at least one break in the afternoon. I generally break for lunch between noon and 12:30 p.m., for about one hour and ten minutes.

7. Hearsay. Evidence that is irrelevant, immaterial, or unduly repetitious is inadmissible; all other evidence is presumptively admissible. 17 C.F.R. § 201.320. As a result, the fact that evidence constitutes hearsay goes to weight, not admissibility, and is thus a proper subject for cross-examination or post-hearing briefing.

8. Hearing issues.

A. Examination.

i) In general, the Division of Enforcement presents its case first, because it has the burden of proof. The Respondents then present their case. If necessary, the parties may agree to proceed in some other order and may take witnesses out of order.

ii) If the Division calls a non-party witness that Respondents also wish to call as a witness, the Respondents should cross-examine the witness as if they were calling the witness in their own case. This means that cross-examination may exceed the scope of direct examination. This will avoid the need to recall a witness just so the witness can testify for the Respondents' case.

iii) I am flexible regarding the manner of presenting the testimony of Respondents, so long as the parties agree on it. By way of example, if the Division calls one of the Respondents as its last witness, the parties may agree that Respondents' counsel will conduct the direct examination, followed by the Division's cross-examination, which may exceed the scope of direct. In the absence of any agreement, the Respondents' testimony will proceed in the usual manner, *i.e.*, the Respondents will be called as a witness and examined potentially multiple

times. If the Division calls one of the Respondents as a witness and the Respondent later testifies as part of his own case, the Division's cross-examination during the Respondents' case will be limited to the scope of the direct examination.

iv) In general, cross-examination may be conducted by leading questions, even as to Division witnesses that the Respondents wish to call in their own case. Counsel may not lead his or her client, however. Thus, if a Respondent is called as a witness in the Division's case, Respondents' counsel may not ask leading questions on cross-examination. Similarly, if a Commission employee is called as a witness for the Respondents, the Division may not ask leading questions on cross-examination.

B. Other hearing issues.

i) Avoid leading questions on direct examination. Leading questions during direct examination of a non-hostile witness are objectionable. Repeatedly having to rephrase leading questions slows down the hearing.

ii) Hit the high points on cross-examination. It is a waste of time to wade into every bit of minutiae that is related to your case. Cross-examination is more effective and less stultifying if you emphasize the strong points and address tangential points quickly, if at all.

9. Pleadings. Prehearing and post-hearing briefs are limited to 14,000 words. *Cf.* 17 C.F.R. § 201.450(c) (imposing a word-limit for briefs filed before the Commission). Parties may seek leave to exceed this limit through a motion filed seven days in advance of the relevant briefing deadline. To enhance the readability of pleadings, I urge counsel to limit the use of acronyms to those that are widely known. *See* Antonin Scalia & Bryan A. Garner, Making Your Case: The Art of Persuading Judges 120-22 (2008); *Nat'l Ass'n of Regulatory Util. Comm'rs v. U.S. Dep't of Energy*, 680 F.3d 819, 820 n.1 (D.C. Cir. 2012). For the same reason, counsel should use the same font size in footnotes as that used in the body of a pleading.

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James E. Grimes
Administrative Law Judge