

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

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 4251/October 12, 2016

ADMINISTRATIVE PROCEEDING  
File No. 3-17365

In the Matter of

ALISON, LLC and STEPHEN D. ALISON

ORDER DESIGNATING SETTLEMENT  
ALJ AND SCHEDULING CONFIDENTIAL  
SETTLEMENT CONFERENCE

The parties have filed a joint motion requesting designation of a settlement administrative law judge. In their motion, the parties have agreed to terms consistent with those outlined in *AirTouch Communications, Inc.*, Admin. Proc. Rulings Release No. 2253, 2015 SEC LEXIS 271 (ALJ Jan. 23, 2015). However, in their motion, the parties did not state their agreement to stay fact discovery until November 4, 2016. *See Alison, LLC*, Admin. Proc. Rulings Release No. 4216, 2016 SEC LEXIS 3736 (ALJ Sept. 30, 2016). Instead, in a separate request, Respondents requested that the prehearing and hearing schedule be delayed by approximately four weeks to accommodate the settlement process. The Division does not oppose this request. I ORDER that the parties to meet and confer and jointly propose an amended scheduling order by November 4, 2016. I FURTHER ORDER that fact discovery will be STAYED until November 4, 2016.

Based on the parties' agreement, and for purpose of facilitating settlement discussions only, this matter is referred to Administrative Law Judge Cameron Elliot, who is designated as the settlement ALJ. By October 27, 2016, each party must separately submit a confidential settlement statement (CSS) by email only, directly to [perlmanbe@sec.gov](mailto:perlmanbe@sec.gov). DO NOT SEND COPIES OF THE CSS TO THE OFFICE OF THE SECRETARY, THE PRESIDING ADMINISTRATIVE LAW JUDGE, OTHER COUNSEL/PARTIES, OR THIS OFFICE'S MAIN EMAIL BOX ([alj@sec.gov](mailto:alj@sec.gov)). Each party's CSS should do the following:

- Describe any settlement offers made and the current status of settlement discussions;
- Identify the acceptable range of monetary penalties or remedial actions in valuing the case for settlement purposes;
- Identify additional information or action, if any, required by the party in order to engage in meaningful settlement negotiations;
- Assuming the settlement ALJ's familiarity with the order instituting proceedings and answer, describe the factual and legal support for each party's key claims and defenses. Factual claims should be supported by reference to evidence (such as a document or what a witness will testify to), and legal claims by reference to binding or persuasive

authorities. Each party should highlight any weaknesses in its opponent's case. Each party is invited to append exhibits to its CSS.

If necessary, on October 31, 2016, at 12:00 noon Eastern, the settlement ALJ will facilitate a confidential settlement conference with the parties by teleconference and videoconference. The settlement ALJ will meet with the parties first jointly and then privately as required. The parties' representatives at the joint confidential settlement conference must bring, or have immediately available by appropriate means, an individual with settlement authority. Additional discussions may be scheduled if appropriate. No part of any settlement conference will be transcribed.

The confidential settlement process described above is not intended to supplant the parties' independent, good faith efforts to reach a mutually agreeable settlement. If a settlement is reached, the parties should promptly notify the presiding ALJ with a motion to stay, as the settlement ALJ will not communicate to the presiding ALJ any information on the status of the parties' confidential settlement negotiations.

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Jason S. Patil  
Administrative Law Judge