

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4256/October 14, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17527

In the Matter of

KARL E. HAHN

ORDER FOLLOWING
PREHEARING CONFERENCE

On September 6, 2016, the Securities and Exchange Commission issued an order instituting proceedings (OIP) against Respondent pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940. On September 21, 2016, the Commission issued a corrected OIP.

A prehearing conference was held on October 11, 2016, at which only the Division of Enforcement appeared. During the conference, the Division represented that it had spoken to Respondent and that he is aware of this proceeding but had told the Division that he does not intend to participate for the time being because his attention is focused on a pending criminal matter. *See United States v. Hahn*, No. 1:15-cr-50 (D.N.H.).¹ Also, I determined based on the declarations of service the Division has submitted that Respondent was served with the corrected OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) by U.S. Postal Service certified mail on September 26, 2016. His answer is therefore due October 19, 2016. OIP at 3; 17 C.F.R. §§ 201.160(b), .220(b).

If Respondent fails to timely file an answer or otherwise defend the proceeding, he may be deemed in default. *See* OIP at 3; 17 C.F.R. §§ 201.155(a), .220(f). Depending on whether Respondent timely files an answer, I will specify in a future order due dates regarding a motion for summary disposition by the Division, or, alternatively, a motion for default and sanctions by the Division.

Brenda P. Murray
Chief Administrative Law Judge

¹ Were Respondent to appear and request a stay of this proceeding based on the pendency of his criminal action, the Commission's Rules of Practice would not authorize me to grant one. 17 C.F.R. § 201.210(c)(3) (authorizing stays based on related criminal investigations or prosecutions at the request of a "criminal prosecutorial authority").