

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4530/January 18, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-16554

In the Matter of

GRAY FINANCIAL GROUP, INC.,
LAURENCE O. GRAY, and
ROBERT C. HUBBARD, IV

ORDER ON DIVISION'S WITNESS
SUBPOENAS

On January 9, 2017, the Division of Enforcement submitted to this office several witness subpoena requests, of which Respondents objected to three. *See Gray Fin. Grp., Inc.*, Admin. Proc. Rulings Release No. 4509, 2017 SEC LEXIS 60 (ALJ Jan. 9, 2017). I construed Respondents' objection as a motion to quash, and the Division timely submitted a response.

Two of the subpoenas are to Rachel B. Cohen-Deano and Genna Garver, attorneys who "worked on the offering at issue" while employed with the law firm Greenberg Traurig, LLP. Resp. at 1. The Division wishes to call these witnesses to refute Respondents' assertion of reliance on advice of counsel. *See id.* at 1-2. Respondents, however, have disclaimed reliance on the advice of Cohen-Deano or Garver, or of Greenburg Traurig. *See Mot.* at 1. I may quash a subpoena if compliance with it would be unreasonable. 17 C.F.R. § 201.232(e)(2). Because there is no testimony Cohen-Deano or Garver could currently offer at the hearing that would be responsive to the issues in this proceeding, it would be unreasonable to subpoena them at this time.

The third subpoena is to Perry Clark, who sued at least one of the Respondents on an unrelated matter. *See Mot.* at 1-2. The Division contends that Clark "is a substantial judgment creditor of respondent Gray" and that the judgment is "relevant to the Respondents' motive to engage in the fraudulent conduct that has been charged." Resp. at 2. Clark's proposed testimony appears to be appropriate, and I will issue a subpoena to him.

SO ORDERED.

Cameron Elliot
Administrative Law Judge