

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4781/May 2, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-17342

In the Matter of

RD LEGAL CAPITAL, LLC, and
RONI DERSOVITZ

POST-HEARING ORDER

The hearing in this proceeding was held from March 20 to April 27, 2017. I ORDER the following post-hearing schedule:

1. In light of the potential merit of Respondents' previously denied Rule 250(d) motion made following the Division of Enforcement's case in chief, the Division shall file by May 5, 2017, a brief identifying all hearing evidence that supports the order instituting proceeding's (OIP) allegations that the valuations of the funds were unreasonable and inflated. *See* OIP ¶¶ II.A.1.(ii), III.G.60-74. By May 12, 2017, Respondents may file a responsive letter explaining why I should reconsider their Rule 250(d) motion regarding valuation. No further filings under Rule 250 will be permitted.
2. By May 12, 2017, the parties shall file paper copies of their exhibits, both admitted and those offered but not admitted, with the Commission's Office of the Secretary. *See* 17 C.F.R. §§ 201.350, .351. Those exhibits that are available in native format only, or are too voluminous or impractical to file in paper, shall be filed with the Office of the Secretary in electronic format (*e.g.*, disc or USB drive) and the parties shall maintain and preserve genuine copies of any such electronic exhibits in the event they are requested to resubmit them in any appeal from the undersigned's initial decision. Those exhibits that the parties wish to exclude from the public record should be filed separately, under seal. Additionally, the parties should provide my office with electronic copies of *all* of the aforementioned exhibits.
3. Also by May 12, 2017, the parties shall file a joint list of admitted exhibits and exhibits offered but not admitted. The joint exhibit list should specify the exhibit number; description of the exhibit; Bates-stamp numbers, if any; and page(s) in the hearing transcript on which the exhibit was offered and admitted, if applicable. The list should identify those exhibits that are filed under seal. Courtesy copies of the exhibit lists should be submitted to alj@sec.gov in MS Excel or Word format.

4. By June 2, 2017, the parties shall file proposed transcript corrections, if any, whether by motion or stipulation. *See* 17 C.F.R. § 201.302(c). Any objections to proposed transcript corrections are due by June 9, 2017.
5. By June 23, 2017, the Division shall file its opening post-hearing brief and proposed findings of fact. The Division's post-hearing brief shall not exceed 15,000 words. Also by June 23, 2017, Respondents shall file their opening post-hearing brief and proposed findings of fact regarding only their inability-to-pay defense (not the merits). Respondents' brief shall not exceed 5,000 words. Both of Respondents' submissions should be filed under seal, as they will likely be replete with personal financial information, the disclosure of which would result in harm outweighing any benefit. *See* 17 § C.F.R. 201.322(b).
6. By August 4, 2017, Respondents shall file their opening post-hearing brief on the merits, proposed findings of fact on the merits, and response to the Division's proposed findings of fact. The Respondents' post-hearing brief shall not exceed 15,000 words. Also by August 4, 2017, the Division shall file under seal a responsive brief with respect to the inability-to-pay defense not to exceed 5,000 words, as well as a response to the Respondents' proposed findings of fact regarding inability to pay, and any additional proposed findings of fact relevant to inability to pay.
7. By August 25, 2017,¹ the Division shall file its response to Respondents' proposed findings of fact on the merits, and may file a reply brief on the merits not to exceed 7,500 words. Also by August 25, the Respondents shall file, under seal, a response to any of the Division's additional proposed findings of fact with respect to the inability-to-pay defense, and may file a reply brief on the inability-to-pay defense not to exceed 3,000 words, also under seal.
8. By September 1, 2017, Respondents may file an optional letter memorializing any constitutional objections to this proceeding.
9. By September 8, 2017, the Division may file a letter responding to Respondents' constitutional objections.
10. The parties proposed findings of fact and responses thereto should follow these guidelines:
 - a. Proposed findings of fact shall be numbered and must be supported by citations to specific portions of the record. Each citation shall be accompanied by quotation(s) of the key language that best supports the proposed finding. If the language is drawn from witness testimony or an expert report, the witness or expert should be identified. If the language is drawn from an exhibit, an abbreviated exhibit description should be included. Each party is requested, but not required, to attach to its proposed findings of fact a timeline that identifies significant events.

¹ This extended briefing schedule is warranted given the length of the hearing and sheer volume of the transcript and exhibits.

- b. The response to a party's proposed findings of fact shall be numbered, and must reflect those paragraphs as to which there is no dispute. A party's response to findings of fact is not subject to a page limit, but shall be limited to a counterstatement of the factual finding, specifically identifying the language that is disputed, and then supporting that counterstatement by citations and quotation(s) as described above.
 - c. Proposed findings of fact are not subject to a page limit. However, as a best practice, the parties should strive to concisely and clearly set forth the most relevant facts supporting each proposition. Moreover, the purpose of the parties' proposed findings of fact is to adduce, but not argue, the facts that the undersigned should rely on to decide this proceeding. Any proposed finding of fact that contains argument will be stricken. By contrast, the post-hearing briefs should contain all arguments regarding the application of law to fact and arguments regarding all disputed issues.
11. Courtesy copies of post-hearing briefs, proposed findings of fact, and responses should be submitted to alj@sec.gov in both PDF text-searchable format **and** MS Word format.

Jason S. Patil
Administrative Law Judge