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

Administrative Proceedings Rulings Release No. 6948 / June 26, 2025

Administrative Proceeding File No. 3-20828

In the Matter of

Gregory Lemelson¹

Second Order Denying Postponement

The Division of Enforcement, joined by Respondent, filed a "Joint Request Regarding Commission Review of Respondent's Motion to Dismiss." The parties ask the Commission to review Respondent's motion to dismiss on an expedited basis. The parties also ask the ALJ or the Commission to continue the hearing, currently set to begin on July 7, 2025, for 90 days "to allow time for the Commission to review and act upon Respondent's Motion." Joint Mot. at 1.

Three weeks ago, Respondent requested a postponement for the same reason. See Resp't's Request for Issuance of Document Subpoena and for Postponement of Hearing Date, at 1 (June 3, 2025) (asking for a postponement to allow for "the Commission's deliberate consideration of the Motion to Dismiss"). Three weeks ago, the Division opposed this request. Two weeks ago, I denied the motion for postponement. Order Denying Postponement and Granting Subpoena Request, Admin. Proc. Rulings Release No. 6944 (ALJ June 11, 2025), https://www.sec.gov/files/alj/aljorders/2025/ap-6944.pdf. As I explained in that order:

The Commission has "a policy of strongly disfavoring" requests for postponements, "except in circumstances where the requesting party makes a *strong showing* that the denial of the request or motion would *substantially prejudice* their case." 17 C.F.R. § 201.161(b)(1) (emphasis added).

Respondent goes by his ecclesiastical name, Father Emmanuel Lemelson.

Id. at 2.

The parties' current motion contains no argument or justification for a postponement under Commission rules, which "establish timeframes for the completion of administrative proceedings before law judges, and reflect a policy to further the 'speedy ... determination of every proceeding." *David Mura*, Securities Exchange Act of 1934 Release No. 72080, 2014 WL 1744129, at *5 & nn. 36–37 (May 2, 2014). The parties made no attempt to show that the postponement is needed to avoid substantial prejudice. That Respondent's motion remains pending with the Commission does not establish substantial prejudice. *Cf.* 17 C.F.R. § 201.400(d) (pendency of a matter on interlocutory review before the Commission does not automatically stay proceedings).²

And they do not explain what, if anything, has changed during the past three weeks that would warrant reconsideration of this issue. Indeed, that passage of time, combined with a request for a 90-day delay, weighs even more strongly against the request. The July 7 hearing and resolution of the issues may moot or narrow the Commission's review following an initial decision; thus, vacating the current hearing schedule would further undermine the efficient completion of this proceeding. The only point that appears to have changed is the Division's position—before it opposed the postponement request and now it supports it. But this switch is also unexplained and unaccompanied by any analysis of the factors justifying further postponement. Having carefully considered this motion and the previous filings in this case, I cannot grant the request.

The motion to dismiss has been fully briefed and is pending with the Commission, which is best positioned to decide whether postponing the hearing is appropriate in light of that motion. It would be presumptuous of me to

See Christopher M. Gibson, Exchange Act Release No. 80509, 2017 WL 1425432, at *1 & nn. 6–7 (Apr. 21, 2017) ("[I]t is well-established that the adjudicatory process does not itself constitute irreparable harm, even when the propriety of the proceedings has been called into question. Constitutional and other claims may be addressed during the course of [Commission] review as appropriate" (footnotes omitted)); Joseph John VanCook, Exchange Act Release No. 59550, 2009 WL 605322, at *2 (Mar. 10, 2009) (denying stay where SEC's role as investigator, prosecutor and adjudicator does not, without a showing of actual bias or intolerably high risk of unfairness, constitute a due process violation); Gregory M. Dearlove, Exchange Act Release No. 57244, 2008 WL 281105, at *34–37 (Jan. 31, 2008) (rejecting due process claim that a denial of a hearing postponement and rigid hearing schedules violated respondent's rights, and finding that respondent had adequate time to prepare), pet. denied, 573 F.3d 801 (D.C. Cir. 2009).

postpone the hearing for 90 days to facilitate the Commission's review of the motion to dismiss when the Commission itself could order such a postponement, if necessary. If the Commission orders such a postponement, the hearing and all deadlines will be immediately continued.

By contrast, if the Commission denies or declines to act on the motion, the hearing will move forward according to the long-standing schedule that was set based on the availability of the parties and counsel. *See, e.g., Edward M. Daspin*, Securities Act of 1933 Release No. 10654, 2019 WL 2717085, at *2 (June 28, 2019) ("[W]e have made clear that our emphatic preference is that claims should be presented in a single petition for review after the entire record has been developed and after issuance by the law judge of an initial decision.").

/s/ Jason S. Patil Administrative Law Judge