

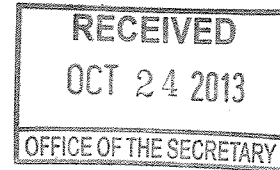
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-15548

In the Matter of

PHILIP MARK CAIN,

Respondent.



**DIVISION OF ENFORCEMENT'S SUPPLEMENTAL BRIEF IN SUPPORT OF
MOTIONS FOR ADJOURNMENT OF HEARING AND PREHEARING CONFERENCE**

Introduction

On October 1, 2013, the Securities and Exchange Commission ("Commission") issued an Order Instituting Proceedings ("OIP") against Philip Mark Cain ("Respondent") to determine what sanctions, if any, are appropriate in the public interest against him based on his criminal convictions in March 2012. On October 24, 2013, the Division of Enforcement ("Division") filed Motions for Adjournment of Hearing and Prehearing Conference ("Motions") to request that the November 4, 2013 hearing date be set aside and that a telephonic prehearing conference be scheduled for November 4, 2013 at 2:00 p.m. Eastern Time. The Division files this Supplemental Brief to make the Court aware of a letter from Respondent dated October 15, 2013, a true and correct copy of which is attached hereto as Exhibit 1, which counsel for the Division received shortly after the Motions were transmitted electronically to the Court. Although Respondent has not filed an Answer to the OIP, his letter expresses an interest in participating in a prehearing conference and settling this proceeding. Consequently, the Division requests that the hearing be adjourned and the prehearing conference postponed to a later, to be

determined date no later than November 25, 2013, while the parties discuss the possibility of settlement and determine the Respondent's availability to participate in a telephonic prehearing conference, should one be necessary.

Statement of Facts

On October 24, 2013, the Division filed the Motions to request that the November 4, 2013 hearing date be set aside and that a telephonic prehearing conference be scheduled for November 4, 2013 at 2:00 p.m. Eastern Time. Shortly after the Motions were transmitted electronically to the Court on October 24, 2013, counsel for the Division received Respondent's letter dated October 15, 2013.¹ In his letter, Respondent states that he does not object to postponing the November 4 hearing to a later date. In addition to expressing an interest in settling this proceeding,² Respondent's letter also states that his participation in a telephonic prehearing conference or hearing will require approval from the U.S. penitentiary where he is incarcerated. On October 24, 2013, the Division left a telephone message for Respondent's counselor at USP Tucson, where Respondent is currently incarcerated, to determine Respondent's availability to participate in a telephonic prehearing conference. The Division will also begin settlement negotiations with Respondent, which may render a hearing in this matter unnecessary.

Motion for Postponement of Hearing and Prehearing Conference

In light of Respondent's letter dated October 15, 2013, the Division moves to adjourn the November 4, 2013 hearing and postpone the prehearing conference, previously requested to be held on November 4, to a later date to be determined, but by no later than November 25, 2013.

¹ Although the Respondent's letter dated October 15, 2013 was delivered to the Commission's Los Angeles Regional Office on October 23, the letter was not routed to counsel for the Division until October 24.

² Respondent did not respond to a settlement proposed by the Division in a letter dated August 8, 2013 that was delivered to Respondent by USPS Express Mail on August 12.

Postponing the hearing date and prehearing conference will allow the parties to discuss the settlement of this proceeding, and, if necessary, to schedule a mutually acceptable date for a telephonic prehearing conference.

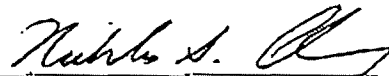
Conclusion

For the reasons set forth above, the Division respectfully requests that the Administrative Law Judge grant the Division's Motions for Adjournment of Hearing and Prehearing Conference in part, and enter an order granting the following relief:

1. Setting aside the November 4, 2013 hearing date; and
2. Postponing the telephonic prehearing conference, previously requested to be scheduled for November 4, 2013 at 2:00 p.m. Eastern Time, to a later date to be determined, but by no later than November 25, 2013.

Dated: October 25, 2013

Respectfully submitted,



Spencer E. Bendell (323) 965-3833
Nicholas S. Chung (323) 965-3845
Securities and Exchange Commission
Los Angeles Regional Office
5670 Wilshire Boulevard, 11th Floor
Los Angeles, CA 90036-3648

COUNSEL FOR
DIVISION OF ENFORCEMENT

EXHIBIT 1

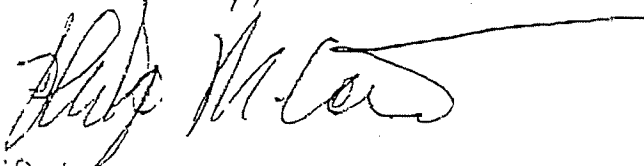
October 15, 2013

Dear Mr. Nicholas S. Chung,

I have received your correspondence. In response to setting up a date and time for a telephone pre-hearing. You will have to contact the Warden's Office for approval of time and place, as well as, approval of phone numbers and contact individuals. I am sure your office is aware of this process.

I would like to suggest that you send me a written agreement of what your terms are and after I have a chance to review the terms and effect, respond to your terms. I feel this may be an efficient way to handle this situation for all parties involved. If we need to proceed with a telephone hearing then you are aware of the process. I do not object to postponing the November 4, 2013 hearing to a later date. I thank you in advance for consideration and keeping me informed of this matter.

Sincerely,



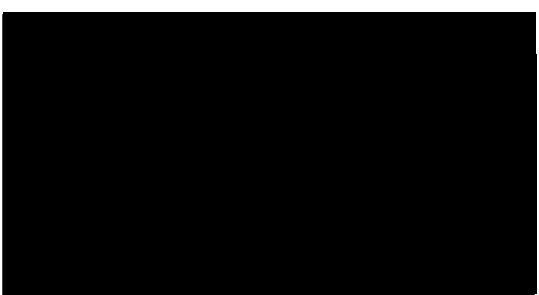
Philip M. Cain

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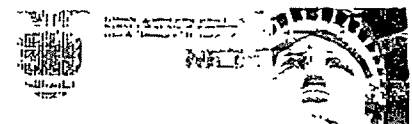
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