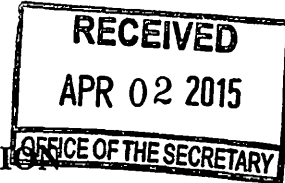


**HARD COPY**

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION



**In the Matter of**  
  
**HARDING ADVISORY LLC and**  
  
**WING F. CHAU,**  
  
**Respondents.**

Administrative Proceeding  
File No. 3-15574

**MOTION FOR ORAL ARGUMENT**

Pursuant to Rule 451 of the Securities and Exchange Commission's (the "Commission[']s") Rules of Practice, 17 C.F.R. § 201.451, and the Commission's "Order Granting Petition for Review and Scheduling Briefs," dated February 23, 2015, Harding Advisory LLC and Wing F. Chau (collectively, "Respondents") respectfully request that the Commission hear oral argument in this proceeding.

Rule 451 provides that oral argument is appropriate when "the presentation of facts and legal argument in the brief and record and the decisional process would be significantly aided by oral argument." 17 C.F.R. § 201.451(a). This matter involves very complex financial transactions, collateralized debt obligations; numerous, very complex transaction documents; numerous and also very complex legal issues relating to the conduct and regulation of collateral managers, investment advisers, and other market participants; and significant policy questions about regulation of highly-sophisticated market participants engaged in the creation, marketing, and trading of asset-backed securities. As one measure of the complexities, the initial decision in

this case runs to 98 single-spaced pages and follows a 17-day hearing with numerous witnesses and hundreds of exhibits.

Respondents challenge ALJ's liability findings because, among other things: having found no intent to defraud with respect to the primary allegations in the Order Instituting Proceedings ("OIP"), ALJ predicated liability on a negligence theory that was at variance with the allegations in the OIP; ALJ's factual findings do not support a finding of negligence; certain of ALJ's factual findings—for example, that certain assets bought by Respondents were impaired when bought—are clearly erroneous; certain of ALJ's legal conclusions—for example, his analysis of collateral managers' obligations under deal documents and the Investment Advisers Act and his recitation of what constitutes negligent fraud—are clearly erroneous; and certain of ALJ's conclusions are premised on unreliable, ambiguous hearsay that is contradicted by uncontroverted hearing testimony.

In addition, Respondents are raising a number of constitutional challenges to having their case brought in administrative proceedings. Among those challenges are due process challenges, which include, among other things: (1) challenging ALJ's authority to conduct the hearing because, among other things, he was not properly appointed as an officer of the Commission for purposes of conducting the hearing in violation of the provisions of the federal securities laws authorizing cease-and-desist hearings; as well as (2) other due process challenges stemming from the fact that a case of this complexity, in which the Division of Enforcement's investigative file was the size of the entire Library of Congress, is not fit for an administrative proceeding in which the ALJ was required to issue a decision within 300 days of the service of the OIP and in which rules of evidence are relaxed and civil pre-trial discovery tools are unavailable. Among other constitutional challenges is a challenge that the choice of the forum here was made for

improper reasons in violation of Respondents' equal protection rights, due process, and jury trial rights. Yet another constitutional challenge is the ALJ's refusal to allow the Respondents to develop a full record for their constitutional challenges.

This appeal also raises significant policy questions about the supervision and regulation of the market participants in the CDO market, *i.e.*, whether certain conduct found by the ALJ, even if factual, constitutes fraud in light of all relevant circumstances and market realities. For example, many of the issues in this case bear directly on Commission's proposed rule 127B, *Prohibition Against Conflicts of Interest in Certain Securitizations*, 76 Fed. Reg. 60320-01 (Sept. 19, 2011), which deals with regulation of the creation and marketing of asset-backed securities, like CDOs. Similarly, the conduct of this ALJ proceeding raises serious policy questions about the conduct of administrative proceedings in general and the Enforcement Division's and ALJs' proper roles in such proceedings.

Given this degree of complexity, this number of issues and in light of the denial of Respondents' motion for relief from the word-count limitations in briefing this appeal, many issues addressed in this appeal will necessarily be presented in a truncated fashion. An oral argument will give the Commission an opportunity to delve into any issue in more detail, obtain additional information, and focus on specific issues. In short, oral argument would assist the Commission in understanding these important issues, and would ensure that the Commission's questions about the constitutional issue as well as the ALJ's findings are addressed in full.

Rule 451 also provides that “[m]otions for oral argument with respect to whether to affirm all or part of an initial decision by a hearing officer shall be granted unless exceptional circumstances make oral argument impractical or inadvisable.” Rule 451(a). Respondents submit that no such exceptional circumstances are present in this case.

For the foregoing reasons, Respondents respectfully request that the Commission schedule oral argument in this proceeding.

Dated: April 1, 2015

BROWN RUDNICK, LLP

By: 

Alex Lipman, Esq.  
Ashley Baynham, Esq.  
Seven Times Square  
New York, NY 10036  
Telephone: (212) 209-4800

*Attorneys for Respondents  
Harding Advisory LLC and Wing F. Chau*

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

In the Matter of  
  
HARDING ADVISORY LLC and  
  
WING F. CHAU,  
  
Respondents.

Administrative Proceeding  
File No. 3-15574

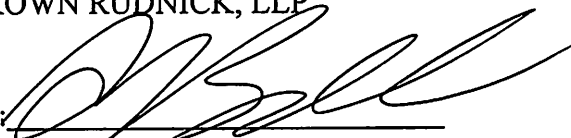
**CERTIFICATE OF SERVICE**

Pursuant to Commission Rule of Practice 150, I hereby certify that on April 1, 2015, a true and correct copy of the MOTION FOR ORAL ARGUMENT was served via electronic mail on:

Howard A. Fischer  
Securities and Exchange Commission  
New York Regional Office  
Brookfield Place, 200 Vesey Street, Suite 400  
New York, NY 10281  
Tel: 212.336.0589  
Email: fischerh@sec.gov

Dated: April 1, 2015

BROWN RUDNICK, LLP

By:   
Ashley Baynham, Esq.  
Seven Times Square  
New York, NY 10036  
Telephone: (212) 209-4991  
Facsimile: (212) 938-2957  
abaynham@brownrudnick.com

*Attorneys for Respondents  
Harding Advisory LLC and Wing F. Chau*

# Fax Facsimile Cover Sheet



Seven  
Times  
Square  
New York  
New York  
10036  
tel 212.209.4800  
fax 212.209.4801

April 1, 2015

THIS TRANSMISSION CONSISTS OF THIS COVER SHEET AND 6 PAGE(S)

DELIVER TO	COMPANY/FIRM	FAX NUMBER	PHONE NUMBER
Brent J. Fields, Secretary	U.S. Securities and Exchange Commission	(202) 772-9324	(202) 551-5400

RE: **In the Matter of Harding Advisory LLC, et al,  
Administrative Proceeding File No. 3-15574**

FROM Ashley Baynham  
DIRECT DIAL (212) 209-4991  
DIRECT FAX (212) 938-2957  
C/M/A # 032392 / 0001 / 3722  
MESSAGE **Please find for filing in the above-referenced matter Respondents' Motion for Oral Argument.**

If you do not receive all pages, please call 212-209-4993

b  
r  
o  
w  
n  
r  
u  
d  
n  
i  
c  
k  
=  
c  
o  
m

IRS Circular 230 Disclosure: To ensure compliance with U.S. Treasury Regulations governing tax practice, we inform you that:

Any U.S. tax advice contained in this communication (including attachments) was not written to be used for and cannot be used for (i) purposes of avoiding any tax related penalties that may be imposed under Federal tax law or (ii) the promotion, marketing or recommending to another party of any transaction or matter addressed herein.

#### CONFIDENTIALITY NOTICE

The documents accompanying this fax transmission contain information from the law firm of Brown Rudnick LLP which is confidential or privileged. The information is intended to be for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this faxed information is prohibited. If you have received this fax in error, please notify us by telephone immediately so that we can arrange for the retrieval of the original documents at no cost to you. Thank you.

Last Transmission

Apr.01.2015 06:28 PM

Name :

Tel :

---

Date	Time	Type	ID	Duration	Pages	Result
Apr.01	06:24PM	Send	912027729324	03:06	7	OK

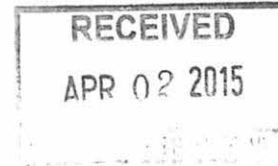
HARD COPY

**BROWN**RUDNICK

ALEX LIPMAN  
Direct Dial: (212) 209-4919  
alipman@brownrudnick.com

Seven  
Times  
Square  
New York  
New York  
10036  
tel 212.209.4800  
fax 212.209.4801

April 1, 2015



**VIA FACSIMILE AND FEDERAL EXPRESS**

Brent J. Fields  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549  
Fax: 202-772-9324

**RE: In the Matter of Harding Advisory LLC, et al,  
Administrative Proceeding File No. 3-15574**

Dear Mr. Fields:

This firm represents Respondents Harding Advisory LLC and Wing F. Chau in the above-referenced proceeding. Enclosed for filing, please find the Respondents' Motion for Oral Argument.

Thank you for your attention to this matter.

Sincerely,

**BROWN RUDNICK LLP**

A handwritten signature in black ink, appearing to read "Alex Lipman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Alex Lipman

Enclosures

cc: Howard Fischer, Esq. (via e-mail)

B  
R  
O  
W  
N  
R  
U  
D  
N  
I  
C  
K  
L  
L  
P