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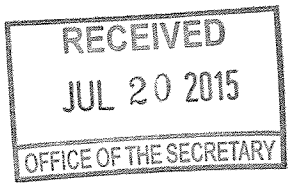
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

In the Matter of **HARDING ADVISORY LLC and** **WING F. CHAU,** **Respondents.**	Administrative Proceeding File No. 3-15574



RESPONDENTS' REPLY BRIEF IN FURTHER SUPPORT OF THEIR DUE PROCESS CLAIMS

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Respondents respectfully submit this reply in further support of their due process claims, as set forth in their Supplemental Brief submitted on June 8, 2015.

INTRODUCTION

Division essentially concedes that it engaged in much of the misconduct outlined in Respondents' Supplement Brief. Its response is: no harm, no foul. Respondents suffered plenty of harm because they were subjected to a proceeding that lacked even the appearance of fairness. Being subjected to an infirm proceeding in which there was not even the appearance of fairness is itself a violation of the due process clause. *Amos Treat & Co.* v. *SEC*, 306 F.2d 260, 267 (D.C. Cir. 1962) ("[A]n administrative hearing . . . must be attended, not only with every element of fairness but with the very appearance of complete fairness."). The fact that Respondents were able to catch and respond to some of Division's improprieties in the Hearing does not mean that the Administrative Proceeding ("AP") complied with basic due process. Respondents simply do not know what other favorable or exculpatory materials they lacked the time, ability, or resources to locate, and Respondents do not know what other Division conduct they failed to detect, given the four months they had to prepare and the enormity of the record. (Resp'ts Supp. Br. at 5 n.2.)[1] This is especially true as the ALJ improperly denied Respondents discovery on their constitutional claims, including their due process claims. (Resp'ts Br. at 35 n.33.)

Division also fails to respond meaningfully to Respondents' claims as to the legality and constitutionality of the AP. As such, Respondents also suffered the harm of being forced to litigate in an unconstitutional, improperly-constituted forum.

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[1] This Memorandum of Law will refer to Division's July 2, 2015 Response to Respondents' Supplemental Briefing as "Div. Supp. Resp. Br."; to Respondents' June 8, 2015 Supplemental Brief in Support of Their Due Process Claims as "Resp'ts Supp. Br."; to Respondents' May 22, 2015 Reply in Further Support of Their Petition for Review as "Resp'ts Reply Br."; to Division's May 8, 2015 Opposition of the Division of Enforcement to Respondents' Appeal as "Div. Opp. Br."; to Respondents' May 8, 2014 Opposition to Division's Petition for Review of the Initial Decision as "Resp'ts Opp. Br."; and to Respondents' April 1, 2015 Opening Brief in Support of Their Petition for Review as "Resp'ts Br."

ARGUMENT

I. TWENTY-TWO MILLION DOCUMENTS.

Division claims all issues relating to how it buried Respondents in documents have been fully litigated. (Div. Supp. Resp. Br. at 8.) We offer two observations: First, while the ALJ did say on the record *before* the Hearing that this was not a case justifying departure from the vice of the 300-day rule, *after* the Hearing, with a full record before him, he sought and obtained a four month extension to file his initial decision ("ID") because of the volume of briefing, the number of exhibits, and the complexity of the issues being litigated. (Resp'ts Supp. Br. at 6-7 (citing Mot. for Ext. of Time to Issue ID (Aug. 11, 2014)).) In total, the ALJ took approximately six months to issue the ID, which ran to ninety-eight pages. (ID.) There is no better proof that the approximately four months for trial preparation without any of the protections of civil discovery rules were woefully inadequate. The Commission did not have this information, or any of the other related information developed during the Hearing, when Respondents made their application for more time and for the application of civil discovery rules pre-Hearing. Second, Respondents' counsel at the Hearing were, as the Division is well aware, new to the case, having been hired at the time the Order Instituting Proceedings ("OIP") was issued. Division's claim that Respondents had years to prepare is misleading.[2] (Div. Supp. Resp. Br. at 9-10.) It is hard to imagine that Division did not choose the AP forum in this case without considering and hoping

[2] Division's additional answer that other APs have had large investigative files and preceded under the 300-day rule is unavailing. (Div. Supp. Resp. Br. at 8-9.) Division only cites two cases for this principle. *See In the Matter of John Thomas Capital Mgmt. Grp. LLC*, Securities Act Release 9492, 2013 WL 6384275, at **5-6 (Dec. 6, 2013) (investigative file was 700GB); *In the Matter of Dearlove*, Securities Act Release 2279, 2008 WL 281105, at * 34 (Jan. 31, 2008) (investigative file was "millions of pages"). Putting aside the stays and continuances granted in those matters, those files are approximately 8.5% or smaller of the size of the file here. Respondents received 11.8 terabytes of data or approximately 22 million documents. (Resp'ts Supp. Br. at 4-8.) Thus, those cases provide no guidance.

to take advantage of the fact that Respondents' Hearing preparations would be severely hampered given the procedural constraints.

II. "INNOCUOUS" INCIDENTS OF TAMPERING WITH THE TRANSCRIPT.

Division still does not get it. It is shocking that we need to repeat this: it is not appropriate under *any* circumstance for one party to a litigation to seek unilateral, undisclosed, unsupervised access to the official record of the proceedings.[3] It matters not at all whether Division sought access to the transcript because its LiveNote was not working or because only the search function on its LiveNote was not working. There is also no such thing as "inadvertent," recurrent instances of sending corrections to the reporting service without notifying the other side. (Div. Supp. Resp. Br. at 6.) This is especially true here, given Division's contemporaneous written admission that "it was not [its] practice" to run changes by Respondents.[4] To this day, Respondents cannot be sure that they have seen all of the changes to the transcripts that Division made. To appreciate that this conduct was engendered by the AP processes, one simply needs to consider, as a thought experiment, whether Division would ever have had the gumption to do the same thing in federal district court.

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[3] Division claims that allegations of misconduct related to the official transcript are false. (Div. Supp. Resp. Br. at 5-6.) If so, Respondents are at a loss as to what aspect. Division admits that it obtained unsupervised access to the court reporter's computer, it admits that it was using the keyboard of her computer (there is no other way to use the search function), and it does not contest that no one aside from the four Division lawyers was in the courtroom when this took place. (*Id.*) Division also admits that it sent corrections to the reporting service without copying Respondents. (*Id.*) Finally, Division does not dispute that not a single member of that team has been disciplined for this conduct. (*Id.*) The way to deal with LiveNote that stopped working is to ask for a recess and have it fixed, as Division had done on another occasion. (*See* Tr. 2936:13-19.)

[4] In an e-mail from May 5, 2014, Division wrote: "It is not our practice to obtain written consent from Respondents before seeking corrections to the transcripts." (*See* Ex. A to Resp'ts Supp. Br.)

III. *BRADY* FAILURES.

Without bothering to cite to the record at all, Division claims that it made *Brady* disclosures "well before they were due." (Div. Supp. Resp. Br. at 12.) *Brady* disclosures were due on February 25, 2014.[5] Division does not dispute that the *Brady* disclosure at issue—that one of its experts, Ellson, found no evidence of adverse selection with regard to the Octans' ABX Index assets—was made on March 27, 2014, more than one month after the due date and only four days before the commencement of the Hearing. (Div. Supp. Resp. Br. at 12-13.) Division also does not dispute that it had Ellson's analysis at least six weeks before March 27. (*Id.*) Even Division must understand that this information is exculpatory: among other things, absence of evidence of adverse selection casts doubt on (1) the theory that Harding picked bad assets deliberately to facilitate Magnetar's shorts, or even (2) the theory that Harding did nothing to analyze these assets (assuming collateral managers added value, one would expect assets selected at random to be worse than assets selected on the basis of an analysis). (Resp'ts Reply Br. at 2-4.)

As for the use of this information at the Hearing, Respondents were unable to make any use of it beyond relying on Ellson's conclusions. Had Respondents had access to this information earlier, they might have been able to develop it. For example, Respondents may have chosen to hire their own experts to replicate those results and testify in detail about their findings. Given the compressed time schedule, at a minimum, having Ellson's findings earlier likely would have altered allocation of trial-preparation resources.

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[5] At the November 18, 2013, pre-Hearing conference, Division agreed to provide *Brady* materials one week after the exchange of the witness list, which was scheduled for February 18, 2014. (Tr. 12:2-15 Nov. 18, 2013; Order Setting Pre-Hearing Schedule at 1 (Nov. 18, 2013).) By the Division's own calculation, the *Brady* material was due February 25, 2014. By SEC Rules of Practice, Division should produce the material as it becomes available or shortly after the instituting of the OIP. SEC Rule of Practice 230(b)(2),(d).

Division also shamelessly claims that its factual assertions are mere arguments. (Div. Supp. Resp. Br. at 13.) After many years of investigating, and following a Hearing at which it was free to call any Merrill witness it chose, Division asserted ***as a fact*** that Merrill was not aware that it was being accommodated by Harding in connection with the selection of Norma BBB bonds, to wit:

> Second, the defense that the issuers had all the relevant information about Norma (Resp. Br. 26-28) also fails. This is based on the claim that since Merrill, the creator of the CDOs, knew all relevant information, their creation, the CDOs, also had to know. Of course, this attempted end-run around Harding's fiduciary duty ***ignores the fact that Merrill had no knowledge of the most relevant fact***—that Harding purchased the Norma assets either having done no analysis (the single-A bonds) or after having analyzed and found them severely wanting (the triple-B bonds), and in doing so, violated the applicable standards of care and its fiduciary duty.

(Div. Opp. Br. at 32 (emphasis added).) The highlighted statement in the quoted paragraph is not cast as an argument. It is asserted as a fact.

This is a very significant exculpatory fact that Respondents had no opportunity to develop having first learned of it in the briefing of this appeal to the Commission. Recall that the allegations here were that Harding was pushed by Merrill into buying bonds Harding did not want and that Harding bought them only as an accommodation. (ID at 83.) If Merrill did not know that Harding's analysis did not support the purchase of Norma bonds, Merrill also did not know that it was being accommodated. (Resp'ts Reply Br. at 8-9.) Put differently, if Merrill thought that Harding liked the Norma bonds on their merits as a result of careful analysis, it would have had no reason, as the OIP charged, to (1) push Harding to buy them or, even more importantly, (2) accommodate Harding by reducing its allocation. (*Id.*) Put yet another way, if Merrill did not know that Harding did not like the BBB bonds, Margolis' comment in a crucial (albeit rank hearsay) internal Merrill email that he told Chau that Merrill would cut Chau's allocation was, indeed, a threat *as Chau testified* when Chau was forced to interpret that e-mail at

the Hearing. (Resp'ts Br. at 20-21 n.21) This fact would have come out in discovery long before trial, had this case proceeded in federal district court as opposed to the AP. In this AP, Division was able to hide it.

IV. FALSE AND MISLEADING EVIDENCE.

Division's response to Respondents' specific recitation of the manner in which Division offered false and misleading testimony is to ignore the factual allegations and simply claim that Respondents are arguing sufficiency and weight of the evidence. (Div. Supp. Resp. Br. at 13-15.) As is the case with the transcript tampering, Division again simply does not get it. The point here is not the weight of the testimony, but that Division put on *false and misleading* testimony.

By side-stepping Respondents' factual recitation, Division tacitly concedes that Respondents' allegations are true: it elicited false and misleading testimony from its summary witness, an SEC staff accountant,[6] and its experts testified falsely on key issues. (*Id.*) Division is

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[6] Division took no issue with Respondents' factual assertion that its Staff Accountant was visibly uncomfortable during cross-examination, was seen typing on his mobile phone during a break in cross-examination, or that his answers seemed coached upon returning from the break. (Resp'ts Supp. Br. at 12.) Division's sole response is that the summary witnesses "was understandably perplexed on cross-examination by Respondents' counsel's confusing and irrelevant questions." (Div. Supp. Resp. Br. at 13 n.4.)

As a reminder, this witness testified falsely on direct examination that by March 2007, Magnetar "finally got rid" of $64 million of its $94 million equity position in Octans, thereby becoming $18 million net short. (Tr. 2224:7-2227:16; 2231:2-15.) He also was led to say, on direct, that he knew about Tigris and that a portion of Magnetar's equity stake in Octans was moved into Tigris. (Tr. 2234:12-2236:25.)

Here are some of Respondents' so-called "confusing and irrelevant questions":

- "Well, fair to say that you were asked the question on direct that your analysis shows that after -- by the time March 16 rolls around, right, Magnetar is net short $18 million. Correct?" (Tr. 2268:16-20.)
- "That was your testimony?" (Tr. 2268:22.)
- "You would only say that if that is what you believed, right?" (Tr. 2269:3-4.)
- "You took an oath, correct[?]" (Tr. 2270:6.)
- "You are doing your best?" (Tr. 2270:11.)
- "You are trying to tell the truth?" (Tr. 2270:13.)
- "You have limited information, right?" (Tr. 2270:18.)
- "Now, my question is, you testified that Magnetar was $18 million short, net short as of March 15, 2007. Correct? Did you say that or not?" (Tr. 2271:17-20.)
- "And you gave that answer?" (Tr. 2271:22.)

also mum in response to Respondents' description of the manner in which its summary exhibit was false and misleading. (*Id.*)

Unlike the ALJ who simply chose to ignore the fact that a government agency was offering evidence that was false and misleading, neither a jury nor any federal district court judge would have been so forgiving.

V. DIVISION DID NOT ADDRESS THE STRUCTURAL FAILURE OF THESE PROCEEDINGS.

Division argues that the combination of investigative and adjudicative functions by itself does not violate due process. (Div. Supp. Resp. Br. at 3-5 (citing *Withrow* v. *Larkin*, 421 U.S. 35, 47 (1975)); *see also* Div. Opp. Br. at 35-36.) That is beside the point. The point is that the manner in which the ALJs are appointed to preside over APs creates an environment in which, as demonstrated above and in Respondents' Supplemental Brief, the Enforcement Division treats the process contemptuously and the ALJs do not police the Division adequately. (Resp'ts Supp. Br. at 2-20.) The point is also that Division filed this case administratively with an apparent intention to violate Respondents' due process rights and then proceeded to do so. (Resp'ts Br. at 1-2, 33-37.) The point is further that Division decided to deprive Respondents of a jury trial to give itself the flexibility to shade the truth through the various means described here and in our other briefs. (Resp'ts Br. at 1-2, 33-37.)

- "Let's put it this way. Do you have any reason to believe that you missed a credit default swap during that time period?" (Tr. 2272:3-5.)

These questions were followed by:

Q. And then you were asked a couple new questions, correct, about Tigris?
A. I don't know if that came up then.
Q. After lunch, you don't remember?
A. I know the question came up on the compilation, what was their short position as of —
[SEC lawyer]: Your Honor, can we have a short break?

(Tr. 2272:24-2273:8.)

Moreover, the procedural safeguards that Congress creates when it combines the investigative and adjudicative functions must be scrupulously followed in order to ameliorate any due process issues. In holding that the combination of adjudicatory and investigatory functions in a state medical board by itself did not violate due process, the Supreme Court in *Withrow v. Larkin* was careful to note that the combination of these functions raises substantial and complex issues for which no single answer has been reached, 421 U.S. 35 at 51 (1975), and that, in certain situations, the combination of functions may result in due process violations. *Id.* at 51-53. Congress's procedural commands in each instance in which it allows those functions to rest in one body reflect a balancing of various due process concerns that are specific to each situation. *See id.* at 51-52 ("Congress has addressed the issue in several different ways, providing for varying degrees of separation from complete separation of functions to virtually none at all."); *see also, Fed. Home Loan Bank Bd. v. Long Beach Fed. Sav. & Loan Ass'n*, 295 F.2d 403, 411 (9th Cir. 1961) (explaining that the underlying policy goal of the Administrative Procedures Act has always been "to divorce in so far as possible the functions of prosecution and adjudication. [The procedures for appointing ALJs] . . . are designed to accomplish this more or less mechanically. . . ."). Therefore, those procedural commands must be followed in every minute detail.

Therefore, the relevant question here is not whether investigatory and adjudicatory functions can be combined in one agency, but whether the SEC has followed the procedures that Congress mandated as necessary in this instance. *Id.*; *see also King* v. *Burwell*, 576 U.S. __ (2015) ("In a democracy, the power to make the law rests with those chosen by the people . . . in every case we must respect the role of the Legislature, and take care not to undo what it has done."). Moreover, when the balance Congress struck to accomplish the combination of

functions in one agency is corrupted, the core of democracy is implicated because, "the significant structural safeguards of the constitutional scheme . . . [are] designed to preserve political accountability relative to important government assignments." *Edmond v. United States*, 520 U.S. 651, 659, 663 (1997).

In this case, Congress mandated that hearings be held by designated officers of the Commission, thereby providing greater political accountability for the President and the Commission for the manner in which APs are conducted. *See Free Enter. Fund v. Pub. Co. Accounting Oversight Bd.*, 561 U.S. 477, 497-98 (2010). Since Respondents' last filing, Division has conceded that ALJs were neither appointed nor designated by the Commission. *In the Matter of Timbervest LLC*, File No. 3-15519, Affidavit of Division of Enforcement (June 4, 2015) (affirming that ALJ Elliot was not appointed by the Commission but hired by the Chief Administrative Law Judge) (attached hereto as Ex. A.)[7]

In short, Congress required ALJs to be officers duly appointed by the Commission in order to protect Respondents' due process rights. Failure to follow these statutory commands upends Congressional balancing of due process interests and creates a constitutionally impermissible risk of a biased outcome.

CONCLUSION

Division's position is that each infirmity outlined in Respondents' brief does not by itself merit a reversal. (Div. Supp. Resp. Br. at 6.) That is decidedly not the point, even if it were so. The entire proceeding, *as a whole*, was not compliant with basic due process as *evidenced by* the multitude of individual acts of abuse and apparent bias cited by Respondents.

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[7] Assuming *arguendo* that the Commission could, as a matter of constitutional or statutory law, delegate its authority to appoint ALJs to the Chief ALJ, it has not done so in this case. The only delegation of authority to the Chief ALJ that Respondents have been able to find after a diligent search is the authority to select which ALJ will preside over each hearing. 17 C.F.R. § 201.110.

The fact that the ALJ "made multiple findings adverse to the Division and in favor of Respondents" does not render the entire proceeding fair. (*See* Div. Supp. Resp. Br. at 5.) The fact that Respondents blunted the impact of some of the biased and improper conduct does not alter the reality that Division intentionally engaged in highly improper, damaging conduct and that the ALJ looked the other way.

For all of the foregoing reasons and the reasons stated in Respondents' Supplemental Brief in Support of their Due Process Claims, Respondents respectfully request that the Commission reverse all of the ALJ's liability findings for all of the substantive reasons set forth in the other briefs filed by Respondents, as well as on due process grounds.

Dated: July 17, 2015

Respectfully submitted,

BROWN RUDNICK, LLP

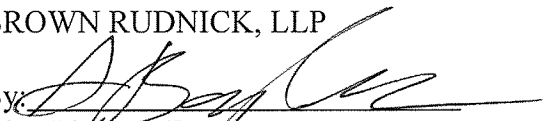
By: 

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EXHIBIT A

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

RECEIVED
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OFFICE OF THE SECRETARY

ADMINISTRATIVE PROCEEDING
File No. 3-15519

In the Matter of	
Timbervest, LLC,	
Joel Barth Shapiro,	
Walter William Anthony Boden, III,	
Donald David Zell, Jr.,	
and Gordon Jones II,	
Respondents.	

NOTICE OF FILING

On May 27, 2015, the Commission ordered the Division of Enforcement ("Division") to file and serve on Respondents by June 4, 2015, an affidavit and any supporting materials "setting forth the manner in which administrative law judge ("ALJ") Cameron Elliot and Chief ALJ Brenda Murray were hired, including the method of selection and appointment." The Division hereby submits the attached Affidavit, which contains the factual information the Division believes legally relevant to resolving Respondents' Article II-based constitutional claims—namely that, consistent with his status as an agency employee and not a constitutional officer, ALJ Elliot was not hired through a process involving the approval of the individual members of the Commission.[1]

[1] Respondents' contention that ALJ Elliot's hiring violated the Appointments Clause rests on the false premise that he is an inferior constitutional officer. As the Division has explained (Memorandum of Law in Response to the Commission's Order Requesting Supplemental Briefing at 4-13), ALJ Elliot is an employee, not an inferior officer. To the extent the

The Division also submits the following background information regarding the selection and hiring of Commission ALJs: Pursuant to current statutes and regulations, the hiring process for Commission ALJs is overseen by the U.S. Office of Personnel Management ("OPM"), which administers the competitive examination for selecting all ALJs across the federal government. *See* 5 U.S.C. §§ 1104, 1302; 5 C.F.R. § 930.201(d)-(e). As do other agencies, the Commission hires its ALJs through this OPM process. *See* 5 U.S.C. § 3105; 5 C.F.R. § 930.201(f). When the Commission seeks to hire a new ALJ, Chief ALJ Murray obtains from OPM a list of eligible candidates; a selection is made from the top three candidates on that list. *See* 5 U.S.C. §§ 3317, 3318; 5 C.F.R. §§ 332.402, 332.404, 930.204(a). Chief ALJ Murray and an interview committee then make a preliminary selection from among the available candidates. Their recommendation is subject to final approval and processing by the Commission's Office of Human Resources.[2]

It is the Division's understanding that the above process was employed as to ALJ Elliot, who began work at the agency in 2011. As for earlier hires, it is likely the Commission employed a similar, if not identical, hiring process. But the Division acknowledges that it is possible that internal processes have shifted over time with changing laws and circumstances,

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Commission disagrees with the Division on this point, the Division believes that the facts set forth in the affidavit—*i.e.*, facts relating to ALJ Elliot's hiring—are sufficient for the Commission's consideration of Respondents' Appointments Clause challenge. Further, the Division notes that it was limited in its ability to collect information regarding ALJ hiring in light of *ex parte* considerations related to pending litigation.

[2] OPM retains oversight over each agency's "decisions concerning the appointment, pay, and tenure" of ALJs, 5 C.F.R. § 930.201(e)(2), and establishes classification and qualification standards for ALJ positions, *id.* § 930.201(e)(3). ALJs also are paid according to a statutorily prescribed pay schedule. 5 U.S.C. § 5372; 5 C.F.R. §§ 930.205, 206; *see also* http://www.opm.gov/policy-data-oversight/pay-leave/pay-administration/fact-sheets/administrative-law-judge-pay-system/ (ALJ pay system).

and thus the hiring process may have been somewhat different with respect to previously hired ALJs. For instance, Chief ALJ Murray began work at the agency in 1988 and information regarding hiring practices at that time is not readily accessible.

This 4th day of June, 2015.

Respectfully submitted,

/s/ M. Graham Loomis

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Attorneys for Division of Enforcement
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CERTIFICATE OF SERVICE

The undersigned counsel for the Division of Enforcement hereby certifies that the foregoing document has been served as follows:

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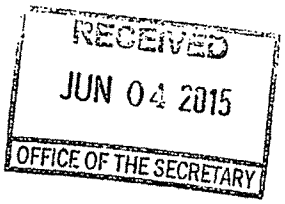
Attorney for Division of Enforcement

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-15519



In the Matter of	
Timbervest, LLC,	
Joel Barth Shapiro,	
Walter William Anthony Boden, III,	
Donald David Zell, Jr.,	
and Gordon Jones II,	
Respondents.	

AFFIDAVIT OF JAYNE L. SEIDMAN

Jayne L. Seidman, states that:

1. I am a Senior Officer at the Commission and Deputy Chief Operating Officer.

2. I make this Affidavit in response to the Commission's May 27, 2015, Order Requesting Additional Submissions and Additional Briefing.

3. In its May 27, 2015, Order, the Commission directed the Division to file and serve on Respondents by June 4, 2015, an affidavit and any supporting materials "setting forth the manner in which ALJ Cameron Elliot and Chief ALJ Brenda Murray were hired, including the method of selection and appointment."

4. Based on my knowledge of the Commission's ALJ hiring process, ALJ Elliot was not hired through a process involving the approval of the individual members of the Commission.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 4th day of June, 2015.

Jayne L. Seidman

Jayne L. Seidman
Deputy Chief Operating Officer

CYNTHIA S. McGRIGG NOTARY PUBLIC DISTRICT OF COLUMBIA EXPIRES APR. 30, 2020

District of Columbia: SS

Subscribed and sworn to before me, in my presence,
this 4th day of June, 2015
by Jayne L. Seidman

Notary Public
My Commission Expires April 30, 2020

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 COMPLIANCE**

Pursuant to Commission Rule of Practice Rule 450(d), I hereby certify that the Respondents' Reply Brief in Further Support of Their Due Process Claims complies with the length limitation set forth in Commission Rule of Practice 450(c). According to the Word Count function of Microsoft Word, this brief contains 3,447 words, exclusive of table of contents, table of authorities and cover page.

Dated: July 17, 2015

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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 July 17, 2015, a true and correct copy of RESPONDENTS' REPLY BRIEF IN FURTHER SUPPORT OF THEIR DUE PROCESS CLAIMS was served via electronic mail on:

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Dated: July 17, 2015

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July 17, 2015

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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 Reply Brief In Further Support of Their Due Process Claims.

Thank you for your attention to this matter.

Sincerely,

BROWN RUDNICK LLP

Ashley Baynham

Enclosure

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