

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

In the Matter of

EDWARD M. DASPIN,
a/k/a "EDWARD (ED) MICHAEL"

Filed Under Seal

DIVISION OF ENFORCEMENT'S
MOTION FOR AN ORDER TO SHOW CAUSE WHY RESPONDENT DASPIN
SHOULD NOT BE DEEMED IN DEFAULT

The Division of Enforcement respectfully submits this memorandum in support of its motion for an order to show cause why Respondent Edward Daspin should not be deemed in default, pursuant to Commission Rule of Practice 155, based on his failure to appear at a Court-ordered deposition on January 8, 2019, his failure comply with numerous other Court orders and his failure to otherwise participate meaningfully in and defend this proceeding.¹

Summary of Relevant Facts

On December 26, 2018, Your Honor issued a subpoena requiring Mr. Daspin to appear for his deposition at the SEC's New York Regional Office on January 8, 2019 at 10 a.m. The Division, through Senior Trial Counsel Kevin McGrath, emailed Mr. Daspin a copy of that subpoena and a cover letter at his email address, [REDACTED] on December 27, 2018. *See* McGrath Declaration, ¶ 2 and Exhibit A.²

¹ Because this Memorandum and accompanying Declaration and Exhibits contain confidential medical information, the Division respectfully requests that they be filed under seal.

² All references to the "McGrath Declaration" are to the Declaration of Kevin P. McGrath, dated January 9, 2019, submitted in support of this motion and all references to Exhibits are to exhibits attached thereto.

On the same date, Mr. McGrath sent the original of the subpoena to Mr. Daspin's home address via UPS Overnight mail. *See* McGrath Declaration, ¶ 3 and Exhibit B. UPS confirmed that the subpoena was delivered to Mr. Daspin's home address on December 29, 2018. *See* McGrath Declaration, ¶ 3 and Exhibit C.³

On or about December 21, 2018, Mr. Daspin emailed the Division without comment, and apparently copied the Office of the ALJs, two doctor's notes from Mr. Daspin's personal physician, Dr. Puzino, stating, in a conclusory fashion, without any supporting medical detail or documentation, [REDACTED]
[REDACTED]
[REDACTED] *See* McGrath Declaration, ¶ 5 and Exhibit E.

On December 22, 2018, Mr. Daspin sent the Division an email in which he appeared to state, in substance, that he was shutting off his computer and there would be no more messages because he allegedly [REDACTED]
[REDACTED] *See* McGrath Declaration, ¶ 6 and Exhibit F.

On December 27, 2018, in response to the two doctor's notes, the Division sent Your Honor and Mr. Daspin a letter noting, in substance, that Mr. Daspin, aided by Dr. Puzino, has made numerous false claims of [REDACTED] before the former assigned ALJ, in an attempt to avoid these proceedings, including claiming he had an [REDACTED]

³ Your Honor also issued a subpoena for Mrs. Daspin to appear for a deposition on January 9, 2019. On December 27, 2018, the Division emailed Mr. Daspin a copy of that subpoena, and sent the original to Mrs. Daspin under separate cover via UPS Overnight mail at the Daspin's home address. *See* McGrath Declaration, ¶ 4 and Exhibits A and D. UPS confirmed that the subpoena was delivered to Mrs. Daspin's home address on December 29, 2018. *See* McGrath Declaration, ¶ 4 and Exhibit C.

[REDACTED] allegedly caused by SEC investigative testimony, and an [REDACTED]. These claims were debunked by a Division retained expert [REDACTED] from Columbia University Medical Center and by a [REDACTED] expert from the Harvard Medical School. The Division accordingly respectfully submitted that none of Mr. Daspin's or Dr. Puzino's current claims regarding the Daspins' alleged medical ailments should be accepted at face value or given any credence absent documented medical evidence provided by independent, reliable medical experts, particularly given that Mr. Daspin had not filed any motion for relief based on these conclusory notes. *See* McGrath Declaration, ¶ 7 and Exhibit G.

On December 28, 2018, Mr. Daspin emailed Your Honor and the Division stating, in substance, that he had allegedly [REDACTED]. [REDACTED] He then preemptively announced that he would not respond to any more court orders, stating: "With no disrespect I advise you I will not be able to respond to any more orders, filings, submissions nor do I have the capacity to defend myself at this time." He further indicated that he expected an attorney to file an action in federal court in the next two weeks seeking to restrain this administrative proceeding. He also stated: "Again This is my last communicate in with due respect as [REDACTED]. [REDACTED] Respectfully, EM Daspin [im no longer able to perform as pro see at thistime." (sic). The email then continued for almost another page in which Mr. Daspin attacked the Division staff and demanded an apology from Your Honor. *See* McGrath Declaration, ¶ 8 and Exhibit H.

On January 2, 2019, Mr. McGrath sent Mr. Daspin an email at [REDACTED] confirming that the Division intended to go forward with his deposition on January 8, 2019

“even if the partial government shutdown continues into next week.” Mr. Daspin did not respond to this email. *See* McGrath Declaration, ¶ 9 and Exhibit I.

On January 8, 2019, Division attorneys convened with a court reporter for Mr. Daspin’s deposition at 10 a.m. at the SEC’s New York office. Mr. Daspin did not appear. At 10:45 a.m., the Division sent Mr. Daspin an email at [REDACTED] asking him to let us know immediately whether he planned to appear. The Division received no response from Mr. Daspin by 11:15 a.m. and accordingly the court reporter was dismissed. *See* McGrath Declaration, ¶ 10 and Exhibit J.

On January 8, 2019 at 1:07 p.m., the Division received an email from Mr. Daspin stating:

Dear Mr. McGrath I'm very sorry but due to [REDACTED] I could only write a declaration which you will get before the day ends I hope you appreciate [REDACTED] and my wife [REDACTED] and it took 10 days to put the enclosed declaration together I need help. I sure hope that the court doesn't find me in contempt. (sic)

See McGrath Declaration, ¶ 11 and Exhibit K.

Shortly thereafter, Mr. Daspin sent a second email claiming, incorrectly, that the subpoena stated that if the shutdown continued through the date of the deposition, the deposition would not go forward. *See* McGrath Declaration, ¶ 12 and Exhibit L.

In a third email on January 8, Mr. Daspin implausibly claimed that he was [REDACTED] to open our January 2 email until that day, even though, according to his earlier email, he had spent the past ten days working on his declaration. *See* McGrath Declaration, ¶ 13 and Exhibits M and N.

ARGUMENT

The Court may deem Daspin to be in default and decide the proceeding against him upon consideration of the record, if Daspin fails: “(1) To appear, in person or through a representative, at a hearing or conference of which [he] has been notified; [or] (2) To answer, to respond to a dispositive motion within the time provided, or otherwise defend the proceeding; ...”

Commission Rule of Practice 155(a)(1) and (a)(2), 17 C.F.R. § 201.155(a)(1) and (a)(2).

Furthermore, the Commission deems “it a prudent practice for a law judge who is considering the issuance of a default order against a respondent to first order that respondent to show cause why a default is not warranted.” *Vladislav Zubkis*, Exchange Act Release No. 51364, 2005 SEC LEXIS 598, at *7-8 (Feb. 18, 2005).

Mr. Daspin should be deemed to be in default based on his willful failure to appear at his deposition and his refusal to comply with numerous other Court orders or otherwise meaningfully participate in and defend this proceeding.

Mr. Daspin’s claim that the subpoena stated that his deposition would not go forward if the government shutdown continued through that date is simply not true and his claimed misunderstanding lacks credibility. The subpoena issued by the Court contained no such representation. The Division’s email and cover letter did state that: “Unless prevented from doing so by a continuing SEC shutdown, we intend to go forward with the depositions on those dates.” *See* Exhibits A and B. However, that is quite different from stating that there would be no depositions merely because the partial shutdown continued.

Moreover, the Division’s January 2 email made clear that we intended to go forward with Mr. Daspin’s deposition on January 8 “even if the partial government shutdown continues into next week.” Mr. Daspin’s claim to have not opened that email on January 2 or on any of the ensuing five days lacks credibility, especially given his flurry of emails on January 8, 2019, when he was due for his deposition. At a minimum, it was incumbent on Mr. Daspin to contact the Division for clarification instead of just unilaterally deciding not to comply with the subpoena. He chose not to do so. Instead, he chose not to engage in any communication with the Division until after he was due to appear for his deposition.

Since this case has been remanded to Your Honor, Mr. Daspin has also repeatedly refused to comply with this Court's orders. For example, he refused to consult with the Division and prepare a proposed pre-hearing schedule and accused the Division staff of harassing him. *See* McGrath Declaration, ¶ 14 and Exhibit O. At the prehearing conference Your Honor conducted on November 14, 2018, Mr. Daspin refused to consent to any hearing schedule. *See* McGrath Declaration, ¶ 14 and Exhibit P. And Mr. Daspin refused to provide the Division with his list of proposed witnesses, including experts, on December 14, 2018, as ordered by the Court, telling the Division staff: "do not contact me in the future." *See* McGrath Declaration, ¶ 14 and Exhibit Q.

In addition, Mr. Daspin has repeatedly stated that he will not appear for a hearing on the merits in this case.⁴ He also failed to appear for the merits hearing previously scheduled in this case on January 4, 2016, after an alleged but undocumented [REDACTED] two days before the

⁴ Mr. Daspin has sent a host of emails and declarations to the Division and the Office of the ALJ alleging various reasons why he would not participate in the instant proceeding. *See, e.g.*, McGrath Declaration, ¶ 15, Exhibit R (October 16, 2018 email) ("I am not [REDACTED] to be involved in an sec in house witch hunt... Im [REDACTED] than 4 years ago n this time I could not even defend myself as a result of the impact [REDACTED] has had on my time to defend" [multiple sics]); Exhibit O ("I cant [sic] represent myself"); Exhibit S (November 13, 2018 declaration at 2) ("Judge Murray ordered me to attend a hearing [the November 14 prehearing conference] knowing that I cant [sic] live up to any schedule"); Exhibit T, (November 19, 2018 email) ("if I am not given adequate time to prepare then the court is technically defaulting me. In that case The courr [sic] can do what ever it wanted to do. I cannot live up with that schedule, cannot represent myself any longer and Judge Murray is what has beendescribed in the old west as a hanging Judge"); Exhibit U, 1st December 20, 2018 email ("cancel any and all responses meetings depositions until im well and after i seek a tro as the commission and judge murray want to wait me out and deny me my litigation rights as judge Murray promised an answers in her scheduling order request: which turned out to one sided schedule that i cant keep up with [REDACTED] as I was working on a response for [the Division's] submission").

hearing for which there was no evidence [REDACTED] (Daspin claimed [REDACTED])

[REDACTED] See McGrath Declaration, ¶ 16 and Exhibit W at 7-8.

Mr. Daspin should be found in default based on his willful, unexcused refusal to appear at the deposition ordered by the Court, the functional equivalent, at a minimum, of failing to appear at a conference; as well as on his failure to comply with other Court orders to date; his well-documented history of refusing to comply with Court orders throughout this proceeding; and his clearly stated intention to no longer participate in this proceeding or appear at the merits hearing scheduled for February 25, 2019. Indeed, Mr. Daspin has made it clear, both by his words and his actions, that he has no intention of participating in the merits hearing scheduled for February 25, 2019.⁵ Instead, it is obvious that Mr. Daspin's plan is to continue to inundate this Court, the Commission and the Division with voluminous, non-compliant, unauthorized, repetitive, legally and factually baseless motions and emails, thereby improperly consuming enormous Commission and Division resources addressing his stream of submissions, in lieu of actually defending himself and appearing at a merits hearing.

⁵ Indeed, at the November 14 2018 telephonic prehearing conference, Mr. Daspin seemed eager to trigger a default. See, e.g., McGrath Declaration ¶ 17, Exhibit X, Prehearing Tr. 15:14-16:16 (Mr. Daspin asked what would happen if he didn't amend his answer "what are you going to do if I don't, Judge... You're going to default me?") When Your Honor replied "no" you would not default him for not filing an amended answer, Mr. Daspin replied "then default me now"); *Id.* 17:11-18:13 (Mr. Daspin again asked if he did not file an amended answer in two weeks, "are you going to default me? And if you say yes, you might as well default me now" to which Your Honor replied "we'll set a schedule, and we'll try to make it as reasonable as we can. And you can put forth your best effort, and then we'll decide the case. Okay?"); *Id.* 19:8-15 (Mr. Daspin said "I've asked this Court if it's going to default me. The Court has not answered the question," to which Your Honor replied "I am not going to default you [for failing to amend your answer.]); *Id.* at 50:5-22 (when asked about scheduling the hearing for January 2019, Mr. Daspin said "If you want to have a hearing in January, forget it. Default me. I can't do it.... I want the year that I'm supposed to get with a fresh start.")

DASPIN'S BELATED MOTION FOR MODIFICATION OF THE SUBPOENAS

On January 9, 2019 at 2:10 p.m., Daspin emailed the Division a 3-page motion and 11-page, single-spaced Declaration "IN SUPPORT OF A MODIFICATION OF JUDGE MURRAY'S SUBPEONA" (sic) (emphasis in original). Daspin's submission makes it even clearer that he has no intention of complying with the Court's orders or otherwise defending himself in this action.

First, as to complying with his deposition subpoena, Daspin states in his Declaration that he cannot, due to his claimed [REDACTED] participate in a deposition [REDACTED] [REDACTED] so that [he] will be able to answer questions as a witness." (Daspin's Jan. 9, 2019 Decl. at ¶ 3). While he initially ostensibly requests an adjournment only until "a date further in the future; but within this months' end"(sic) (Daspin Motion at ¶ 1), he later makes clear that: "I wont able to advise the court of what dates I can accommodate its subpoena' request of me" (sic) (emphasis in original). (Daspin Declaration at ¶ 4).

Daspin also states that he exercises a power of attorney on behalf of his wife and asserts that she will not be able to respond to her subpoena due to her alleged [REDACTED] stating "[a]lthough she received the subpoena [REDACTED] [REDACTED] [REDACTED] I will notify the court after the meeting with [REDACTED] who will hopefully be able to give me [REDACTED] by months end ... I'll be able to communicate with the court and Mr. McGrath before months end" (sic) (emphasis in original). (Id. at ¶¶ 2 and 4).

As the Division has previously noted in its December 27, 2018 letter to the Court, *see* Exhibit G, Mr. Daspin and Dr. Puzino have a history of making grossly exaggerated claims regarding Daspin's alleged [REDACTED] which have been soundly debunked by the Division's highly-qualified medical experts. *See* McGrath Declaration, ¶ 18, Exhibit Y, Expert Report of Dr. Schneller, a professor of [REDACTED] at the Columbia University Medical Center, rebutting Dr. Puzino's claims that Daspin suffered from an as of then [REDACTED] [REDACTED] that precluded his participation in these proceedings; and Exhibits Z and AA, two Expert Reports of Dr. Bursztajn, a professor of [REDACTED] at the Harvard Medical School, at, rebutting Daspin's and Dr. Puzino's claims regarding Daspin's alleged [REDACTED] [REDACTED] two days before the original merits hearing in this case.

First, Daspin's submission of two conclusory doctor's notes from Dr. Puzino, without any corroborating medical records, and without a timely motion to modify the subpoenas, did not entitle Daspin to simply ignore the Court's subpoena and fail to appear for his deposition. Nor do these conclusory notes from a personal physician with a long track record of supplying Daspin with baseless medical excuses so he can evade legal process, continuing the subpoena dates until some indefinite date in the future. Moreover, Daspin's and his wife's as yet unspecified treatment plans will surely form the basis for subsequent requests by Daspin to further delay the depositions and this proceeding.

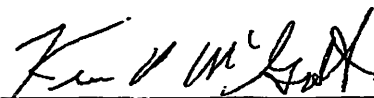
Second, as to his participation in these proceedings generally, Daspin states clearly that he will not participate in the Court-ordered hearing schedule and views the schedule itself as a violation of his Constitutional protections under the Eighth Amendment. He writes, "Judge Murray's recent schedule for a hearing in 2 months time, is a violation of my 8th amendment rights and demonstrates a willful act of bias against me ..." (sic) (emphasis in original).

(Daspin's Jan. 9, 2019 Motion at ¶ 8). He also states that he does not believe *any* fair hearing for him can be held. He further states, "No fair hearing for me can especially without a lawyer and i need the \$1million litigation fund stolen as fraudulently induced by nondisclosure and concealment that your adjs were article 2 violaters' and now biased by acceptance of the delegation" (sic). (Id. at ¶ 10). Thus, Daspin could not make it any clearer that he has no intention of participating in these proceedings or defending himself at a merits hearing.

Accordingly, the Division respectfully requests that the Court issue an Order requiring Mr. Daspin to Show Cause why he should not be deemed in default pursuant to Commission Rule of Practice 155. As part of that Order to Show Cause, the Division requests that the Court order Daspin to produce all medical records for the past three years relating to his claimed medical ailments, as well as all medical records for Mrs. Daspin, for whom Daspin has power of attorney, relating to her alleged [REDACTED]

Dated: January 9, 2019
New York, New York

Respectfully submitted,



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UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

In the Matter of

EDWARD M. DASPIN,
a/k/a "EDWARD (ED) MICHAEL,"

Respondent.

Submitted Under Seal

DECLARATION OF KEVIN P. MCGRATH
IN SUPPORT OF DIVISION OF ENFORCEMENT'S
MOTION FOR AN ORDER TO SHOW CAUSE WHY RESPONDENT DASPIN
SHOULD NOT BE DEEMED IN DEFAULT

I, Kevin P. McGrath, hereby declare as follows:

1. I am employed by the United States Securities and Exchange Commission as a Senior Trial Counsel in the Division of Enforcement's New York Office. I am the lead trial counsel for the Division of Enforcement ("Division") in this proceeding.

2. On December 26, 2018, Your Honor issued a subpoena requiring Mr. Daspin to appear for his deposition at the SEC's New York Regional Office on January 8, 2019 at 10 a.m. I emailed Mr. Daspin a copy of that subpoena and a cover letter at his email address, [REDACTED], on December 27, 2018. *See Exhibit A attached hereto.*¹

3. On the same date, I sent the original of the subpoena to Mr. Daspin's home address via UPS Overnight mail. *See Exhibit B.* UPS confirmed that the subpoena was delivered to Mr. Daspin's home address on December 28, 2018. *See Exhibit C.*

4. Your Honor also issued a subpoena for Mrs. Daspin to appear for a deposition on January 9, 2019. On December 27, 2018, I emailed Mr. Daspin a copy of that subpoena (*see*

¹ All references to Exhibits are to Exhibits attached hereto.

Exhibit A, and sent the original to Mrs. Daspin under separate cover via UPS Overnight mail at the Daspin's home address. *See* Exhibit D. UPS confirmed that the subpoena was delivered to Mrs. Daspin's home address on December 28, 2018. *See* Exhibit C.

5. On or about December 21, 2018, Mr. Daspin emailed the Division without comment, and apparently copied the Office of the ALJs, two doctor's notes from Mr. Daspin's personal physician, Dr. Puzino. *See* Exhibit E.

6. On December 22, 2018, Mr. Daspin sent the Division an email. *See* Exhibit F.

7. On December 27, 2018, in response to those doctor's notes, the Division sent Your Honor and Mr. Daspin a letter which, in part, requested for the reasons set forth therein that none of Mr. Daspin's or Dr. Puzino's current claims regarding the Daspins' alleged medical ailments should be accepted at face value or given any credence absent documented medical evidence provided by independent, reliable medical experts, particularly given that Mr. Daspin had not filed any motion for relief based on these conclusory notes. *See* Exhibit G.

8. On December 28, 2018, Mr. Daspin sent Your Honor and the Division an email. *See* Exhibit H.

9. On January 2, 2019, I sent Mr. Daspin an email at [REDACTED] confirming that the Division intended to go forward with his deposition on January 8, 2019 "even if the partial government shutdown continues into next week." Mr. Daspin did not respond to this email. *See* Exhibit I.

10. On January 8, 2019, myself and two other Division attorneys assigned to this proceeding convened with a court reporter for Mr. Daspin's deposition at 10 a.m. at the SEC's New York office. Mr. Daspin did not appear. At 10:45 a.m., the Division sent Mr. Daspin an email at [REDACTED] asking him to let us know immediately whether he planned to

appear. *See* Exhibit J. The Division received no response from Mr. Daspin by 11:15 a.m. and accordingly the court reporter was dismissed.

11. At 1:07 p.m. on January 8, 2019, the Division received an email from Mr. Daspin. *See* Exhibit K.

12. Shortly thereafter, Mr. Daspin sent a second email claiming, incorrectly, that the subpoena stated that if the shutdown continued through the date of the deposition, the deposition would not go forward. *See* Exhibit L.

13. Mr. Daspin sent the Division a third and fourth email on January 8, 2019. *See* Exhibits M and N, respectively.

14. Since this case has been remanded to Your Honor, Mr. Daspin has repeatedly refused to comply with this Court's orders. For example, as reflected in his October 26, 2018 email to Your Honor and the Division, Mr. Daspin refused to consult with the Division and prepare a proposed pre-hearing schedule and accused the Division staff of harassing him. *See* Exhibit O ("It is premature to say untill [sic] I obtain the Commissions findings i wont be able to select any schedule as my draft made clear that i need a law firm to represent me,they will handle the schedules after the motions are decided by the panel....Until I get that i cant really handle the stress. Be a nice boy. I will explain that your harassing me."). At the prehearing conference Your Honor conducted on November 14, 2018, Mr. Daspin refused to consent to any hearing schedule. *See, e.g.,* Exhibit P (excerpt from Nov. 14, 2018 Prehearing Conf. Tr. 35:17-36:16). And Mr. Daspin refused to provide the Division with his list of proposed witnesses, including experts, on December 14, 2018, as ordered by the Court and he has still not done so. *See* Exhibit Q (December 15, 2018 email).

15. In addition, Mr. Daspin has repeatedly stated that he will not appear for a hearing on the merits in this case.²

16. Mr. Daspin also failed to appear for the merits hearing previously scheduled in this case on January 4, 2016, after an alleged but undocumented [REDACTED] two days before the hearing for which there was no evidence of any physical harm. (Daspin claimed his wife fortuitously [REDACTED] [REDACTED].) See Exhibit W (March 8, 2016 Order Finding Respondent Edward M. Daspin in Default) at 7-8.

17. At the November 14, 2018 telephonic prehearing conference, Mr. Daspin seemed eager to trigger a default. See, e.g., Exhibit X (excerpt from Prehearing Conf.Tr. 15:14-16:16) (Mr. Daspin asked what would happen if he didn't amend his answer "what are you going to do if I don't, Judge... You're going to default me?" When Your Honor replied "no" you would not default him for not filing an amended answer, Mr. Daspin replied "then default me now"); *Id.* 17:11-18:13 (Mr. Daspin again asked if he did not file an amended

² Mr. Daspin has sent a host of emails and declarations to the Division and the Office of the ALJ alleging various reasons why he would not participate in the instant proceeding. See, e.g., Exhibit R (October 16, 2018 email) ("I am not physically capable to be involved in an sec in house witch hunt... Im to old to defend [REDACTED] do not permit me to defend I myself except to plea for releif, [REDACTED] n this time I could not even defend myself as a result of the impact my [REDACTED] has had on my time to defend" [multiple sics]); Exhibit O ("I cant [sic] represent myself"); Exhibit S (November 13, 2018 declaration at 2) ("Judge Murray ordered me to attend a hearing [the November 14 prehearing conference] knowing that I cant [sic] live up to any schedule"); Exhibit T, (November 19, 2018 email) ("if I am not given adequate time to prepare then the court is technically defaulting me. In that case The courr [sic] can do what ever it wanted to do. I cannot live up with that schedule, cannot represent myself any longer and Judge Murray is what has beendescribed in the old west as a hanging Judge"); Exhibit U, 1st December 20, 2018 email ("cancel any and all responses meetings depositions until [REDACTED] and after i seek a tro as the commission and judge murray want to wait me out and deny me my litigation rights as judge Murray promised an answers in her scheduling order request; which turned out to one sided schedule that i cant keep up with in [REDACTED] [REDACTED]" [multiple sics]); and Exhibit V, 2nd December 20, 2018 email (" [REDACTED] [REDACTED] as I was working on a response for [the Division's] submission").

answer in two weeks, “are you going to default me? And if you say yes, you might as well default me now” to which Your Honor replied “we’ll set a schedule, and we’ll try to make it as reasonable as we can. And you can put forth your best effort, and then we’ll decide the case. Okay?”); *Id.* 19:8-15 (Mr. Daspin said “I’ve asked this Court if it’s going to default me. The Court has not answered the question,” to which Your Honor replied “I am not going to default you [for failing to amend your answer].”); *Id.* at 50:5-22 (when asked about scheduling the hearing for January 2019, Mr. Daspin said “If you want to have a hearing in January, forget it. Default me. I can’t do it.... I want the year that I’m supposed to get with a fresh start.”)

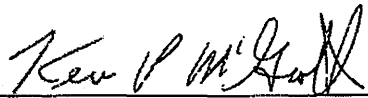
18. Attached as Exhibit Y is the October 14, 2015 expert report of Dr. Stanley J. Schneller, a professor of [REDACTED] at Columbia University Medical Center, which rebuts claims made by Mr. Daspin and his personal physician, Dr. Puzino, that Mr. Daspin [REDACTED] [REDACTED] which precluded Mr. Daspin’s participation in the instant administrative proceeding.

19. Attached as Exhibit Z is the February 10, 2016 [REDACTED] [REDACTED] (without the attached curriculum vitae) conducted by Dr. Harold J. Bursztajn, M.D., a professor of [REDACTED] at Harvard Medical School, which rebuts claims made by Mr. Daspin that he [REDACTED] on January 2, 2016, two days before the January 4, 2016 scheduled commencement of the original hearing in the instant administrative proceeding.

20. Attached as Exhibit AA is the January 25, 2017 supplemental [REDACTED] [REDACTED] conducted by Dr. Harold J. Bursztajn, M.D., which rebuts claims first raised by Mr. Daspin and Dr. Puzino in September 2016 that [REDACTED] [REDACTED] on January 2, 2016.

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

Executed on January 9, 2019
New York, New York.



Kevin P. McGrath

Exhibit A

Kolodny, Nathaniel

From: McGrath, Kevin
Sent: Thursday, December 27, 2018 4:01 PM
To: [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: In the Matter of Edward Daspin - A.P. File No. 3-16509
Attachments: Daspin Deposition Subpoena.pdf; Mrs. Daspin Deposition Subpoena.pdf

Mr. Daspin: Attached please find copies of subpoenas issued by Chief Administrative Law Judge Murray yesterday requiring you to appear for your deposition at the SEC's New York office on January 8, 2019 at 10 a.m. and requiring Mrs. Daspin to appear for her deposition at the SEC's New York office on January 9, 2019 at 10 a.m. You are entitled to attend and participate in Mrs. Daspin's deposition.

Unless prevented from doing so by a continuing SEC shutdown, we intend to go forward with the depositions on those dates.

Kevin McGrath



SUBPOENA TO APPEAR AND TESTIFY AT A DEPOSITION

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

<p>1. TO Edward Michael Daspin [REDACTED]</p>	<p>This subpoena requires you to testify at a deposition, at the date and time specified in Item 3, at the request of the Party and/or Counsel described in Item 5, in this U.S. Securities and Exchange Commission Administrative Proceeding described in Item 7.</p>
<p>2. PLACE OF DEPOSITION U.S. Securities and Exchange Commission New York Regional Office 200 Vesey Street, Suite 400 New York, NY 10281-1022</p>	<p>3. DATE AND TIME OF DEPOSITION January 8th, 2019 10:00 a.m. E.D.T.</p> <p>4. METHOD OF RECORDING DEPOSITION Stenographic Recording and Videographer</p>
<p>5. PARTY AND COUNSEL REQUESTING ISSUANCE OF SUBPOENA Kevin McGrath Senior Trial Counsel Division of Enforcement U.S. Securities and Exchange Commission</p>	<p>6. PRESIDING ADMINISTRATIVE LAW JUDGE Brenda P. Murray Administrative Law Judge U.S. Securities and Exchange Commission</p>
<p>7. TITLE OF THE MATTER AND ADMINISTRATIVE PROCEEDING NUMBER In the Matter of Edward M. Daspin A.P. File No. 3-16509</p>	<p>8. DOCUMENTS OR OTHER ITEMS TO BE PRODUCED <i>Leave blank if not applicable. Attach pages if needed.</i></p>

<p>DATE SIGNED 12/26/2018</p>	<p>SIGNATURE OF ADMINISTRATIVE LAW JUDGE <i>Brenda P. Murray</i></p>
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GENERAL INSTRUCTIONS

MOTION TO QUASH

The U.S. Securities and Exchange Commission's Rules of Practice require that any application to quash or modify a subpoena comply with Commission Rule of Practice 232(e)(1). 17 C.F.R. § 201.232(e)(1).

TRAVEL EXPENSES

Witness fees and mileage will be paid by the party at whose instance the witness appears. 17 C.F.R. § 201.232(f).



SUBPOENA TO APPEAR AND TESTIFY AT A DEPOSITION

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

<p>1. TO Joan Daspin [REDACTED]</p>	<p>This subpoena requires you to testify at a deposition, at the date and time specified in Item 3, at the request of the Party and/or Counsel described in Item 5, in this U.S. Securities and Exchange Commission Administrative Proceeding described in Item 7.</p>
<p>2. PLACE OF DEPOSITION U.S. Securities and Exchange Commission New York Regional Office 200 Vesey Street, Suite 400 New York, NY 10281-1022</p>	<p>3. DATE AND TIME OF DEPOSITION January 9th, 2019 10:00 a.m. E.D.T.</p> <p>4. METHOD OF RECORDING DEPOSITION Stenographic Recording and Videographer</p>
<p>5. PARTY AND COUNSEL REQUESTING ISSUANCE OF SUBPOENA Kevin McGrath Senior Trial Counsel Division of Enforcement U.S. Securities and Exchange Commission</p>	<p>6. PRESIDING ADMINISTRATIVE LAW JUDGE Brenda P. Murray Administrative Law Judge U.S. Securities and Exchange Commission</p>
<p>7. TITLE OF THE MATTER AND ADMINISTRATIVE PROCEEDING NUMBER In the Matter of Edward M. Daspin A.P. File No. 3-16509</p>	<p>8. DOCUMENTS OR OTHER ITEMS TO BE PRODUCED <i>Leave blank if not applicable. Attach pages if needed.</i></p>

<p>DATE SIGNED 12/26/2018</p>	<p>SIGNATURE OF ADMINISTRATIVE LAW JUDGE <i>Brenda P. Murray</i></p>
--	---

GENERAL INSTRUCTIONS

MOTION TO QUASH
The U.S. Securities and Exchange Commission's Rules of Practice require that any application to quash or modify a subpoena comply with Commission Rule of Practice 232(e)(1). 17 C.F.R. § 201.232(e)(1).

TRAVEL EXPENSES
Witness fees and mileage will be paid by the party at whose instance the witness appears. 17 C.F.R. § 201.232(f).

Exhibit B



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
200 VESEY STREET
NEW YORK, NEW YORK 10281

December 27, 2018

Via UPS Overnight

Edward M. Daspin


Re: In the Matter of Edward M. Daspin,
A.P. File No. 3-16509

Dear Mr. Daspin:

Enclosed please find a subpoena issued by Chief Administrative Law Judge Murray yesterday requiring you to appear for your deposition at the SEC's New York office on January 8, 2019 at 10 a.m. By separate cover, we are sending a subpoena to Mrs. Daspin, a copy of which is also enclosed herewith, requiring her to appear for her deposition at the SEC's New York office on January 9, 2019 at 10 a.m. You are entitled to attend and participate in Mrs. Daspin's deposition.

Unless prevented from doing so by a continuing SEC shutdown, we intend to go forward with the depositions on those dates.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin P. McGrath".

Kevin P. McGrath

Enclosures



SUBPOENA TO APPEAR AND TESTIFY AT A DEPOSITION

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

1.e TOe
Edward Michael Daspin
[Redacted]

This subpoena requires you to testify at a deposition, at the date and time specified in Item 3, at the request of the Party and/or Counsel described in Item 5, in this U.S. Securities and Exchange Commission Administrative Proceeding described in Item 7.

2.e PLACE OF DEPOSITIONe
U.S. Securities and Exchange Commission
New York Regional Office
200 Vesey Street, Suite 400
New York, NY 10281-1022

3.e DATE AND TIME OF DEPOSITIONe
January 8th, 2019
10:00 a.m. E.D.T.

4.e METHOD OF RECORDING DEPOSITIONe
Stenographic Recording and Videographer

5. PARTY AND COUNSEL REQUESTINGe
ISSUANCE OF SUBPOENAE
Kevin McGrath
Senior Trial Counsel
Division of Enforcement
U.S. Securities and Exchange Commission

6.e PRESIDING ADMINISTRATIVE LAW JUDGEe
Brenda P. Murray

Administrative Law Judge
U.S. Securities and Exchange Commission

7.e TITLE OF THE MATTER ANDe
ADMINISTRATIVE PROCEEDING NUMBERe
In the Matter of Edward M. Daspin
A.P. File No. 3-16509

8.e DOCUMENTS OR OTHER ITEMS TO BE PRODUCEDe
Leave blank if not applicable. Attach pages if needed.

DATE SIGNED

12/26/2018

SIGNATURE OF ADMINISTRATIVE LAW JUDGE

Brenda P. Murray

GENERAL INSTRUCTIONS

MOTION TO QUASH

The U.S. Securities and Exchange Commission's Rules of Practice require that any application to quash or modify a subpoena comply with Commission Rule of Practice 232(e)(1). 17 C.F.R. § 201.232(e)(1).

TRAVEL EXPENSES

Witness fees and mileage will be paid by the party at whose instance the witness appears. 17 C.F.R. § 201.232(f).

Exhibit C

Previous Shipments

E

You can review, intercept, and void your previous shipments. You can also create a new shipment using the information from a previous shipment. Select a shipment using the checkboxes and select the appropriate button.

Shipments 1 through 3 out of 3 in the last 30 Days

[Clear All](#)

	Show Detail/Receipt	Track	Ship Again	Request Intercept	Void
<input type="checkbox"/>	<u>Shipped Date</u>	<u>Ship To - Company or Name</u>	<u>Service</u>	<u>Shipment Tracking #</u>	
<input checked="" type="checkbox"/>	27 Dec 2018	JOAN DASPIN	UPS Next Day Air	1Z88R5V4NT91815745 Reprint Label	
<input checked="" type="checkbox"/>	27 Dec 2018	EDWARD DASPIN	UPS Next Day Air	1Z88R5V4NT92316336 Reprint Label	
<input type="checkbox"/>	27 Dec 2018	SECURITIES AND EXCHANGE COMMISSION	UPS Next Day Air	1Z88R5V4NT94726121 Reprint Label	

Shipments 1 through 3 out of 3 in the last 30 Days

[Clear All](#)

	Show Detail/Receipt	Track	Ship Again	Request Intercept	Void
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Company Support: 212-336-0165 [GreenJH@sec.gov \(mailto:GreenJH@sec.gov\)](mailto:GreenJH@sec.gov)

Administrator Lookup

Car

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Action

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Tracking Summary

Tracking Numbers

Tracking Number: 1Z 88R 5V4 NT 9181 574 5
Type: Package
Status: **Delivered**
Delivered On: 12/28/2018
5:39 P.M.
Delivered To: [REDACTED]
Received By: DRIVER RELEASE
Service: UPS Next Day Air

Tracking Number: 1Z 88R 5V4 NT 9231 633 6
Type: Package
Status: **Delivered**
Delivered On: 12/28/2018
5:39 P.M.
Delivered To: [REDACTED]
Received By: DRIVER RELEASE
Service: UPS Next Day Air

Tracking results provided by UPS: 01/09/2019 1:21 P.M. ET

NOTICE: UPS authorizes you to use UPS tracking systems solely to track shipments tendered by or for you to UPS for delivery and for no other purpose. Any other use of UPS tracking systems and information is strictly prohibited.

Exhibit D



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
200 VESEY STREET
NEW YORK, NEW YORK 10281

December 27, 2018

Via UPS Overnight

Joan Daspin


Re: In the Matter of Edward M. Daspin,
A.P. File No. 3-16509

Dear Mrs. Daspin:

Enclosed please find a subpoena issued by Chief Administrative Law Judge Murray yesterday requiring you to appear for your deposition at the SEC's New York office on January 9, 2019 at 10 a.m. Unless prevented from doing so by a continuing SEC shutdown, we intend to go forward with your deposition on that date.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin P. McGrath".

Kevin P. McGrath

Enclosure



SUBPOENA TO APPEAR AND TESTIFY AT A DEPOSITION

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

<p>1. TO Joan Daspin [Redacted]</p>	<p>This subpoena requires you to testify at a deposition, at the date and time specified in Item 3, at the request of the Party and/or Counsel described in Item 5, in this U.S. Securities and Exchange Commission Administrative Proceeding described in Item 7.</p>
<p>2. PLACE OF DEPOSITION U.S. Securities and Exchange Commission New York Regional Office 200 Vesey Street, Suite 400 New York, NY 10281-1022</p>	<p>3. DATE AND TIME OF DEPOSITION January 9th, 2019 10:00 a.m. E.D.T.</p> <p>4. METHOD OF RECORDING DEPOSITION Stenographic Recording and Videographer</p>
<p>5. PARTY AND COUNSEL REQUESTING ISSUANCE OF SUBPOENA Kevin McGrath Senior Trial Counsel Division of Enforcement U.S. Securities and Exchange Commission</p>	<p>6. PRESIDING ADMINISTRATIVE LAW JUDGE Brenda P. Murray Administrative Law Judge U.S. Securities and Exchange Commission</p>
<p>7. TITLE OF THE MATTER AND ADMINISTRATIVE PROCEEDING NUMBER In the Matter of Edward M. Daspin A.P. File No. 3-16509</p>	<p>8. DOCUMENTS OR OTHER ITEMS TO BE PRODUCED <i>Leave blank if not applicable. Attach pages if needed.</i></p>

<p>DATE SIGNED 12/26/2018</p>	<p>SIGNATURE OF ADMINISTRATIVE LAW JUDGE <i>Brenda P. Murray</i></p>
--	---

GENERAL INSTRUCTIONS

MOTION TO QUASH

The U.S. Securities and Exchange Commission's Rules of Practice require that any application to quash or modify a subpoena comply with Commission Rule of Practice 232(e)(1). 17 C.F.R. § 201.232(e)(1).

TRAVEL EXPENSES

Witness fees and mileage will be paid by the party at whose instance the witness appears. 17 C.F.R. § 201.232(f).

Exhibit E

Kolodny, Nathaniel

From: The UPS Store #4650 <store4650@theupsstore.com>
Sent: Friday, December 21, 2018 12:01 PM
To: edwardDaspin; [REDACTED];
[REDACTED]; McGrath, Kevin; Kolodny, Nathaniel
Subject: SEC Vs. Daspin
Attachments: 20181221113502916.pdf

ENTIRE ATTACHMENT REDACTED

Exhibit F

Kolodny, Nathaniel

From: edwardDaspin <[REDACTED]>
Sent: Saturday, December 22, 2018 9:16 AM
To: McGrath, Kevin; [REDACTED]
Cc: [REDACTED]; Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin - Statement of Financial Condition

[REDACTED]

[REDACTED]

■ Thu, Nov 29, 2018 at 06:18 PM, McGrath, Kevin wrote:

Mr. Daspin: We are in the process of reviewing the Statement of Financial Condition you sent us on November 26. There are a number of questions and document requests that still need to be responded to or answered more fully. While this is not a complete list, to move this along, these are among the most important missing items.

1 On page 6, you identify [REDACTED], what is that? Please describe and provide documentation.

2 On page 6, you state that your wife received [REDACTED]. We need documentation as to the source of the assets that are generating the interest and dividend income, namely the bank account and/or brokerage records relating to those payments. Also, does "SS" refer to social security and, if so, how much social security is your wife receiving per year?

Exhibit G

ENTIRE EXHIBIT REDACTED

Exhibit H

Kolodny, Nathaniel

From: edwardDaspin <[REDACTED]>
Sent: Friday, December 28, 2018 2:30 PM
To: ALJ; [REDACTED]
Cc: O'Connell, Barry; Kolodny, Nathaniel; McGrath, Kevin; Thomas, Charvelle; Ristau, Benjamin; Woodworth, Charles
Subject: RE: Daspin 3-16509

Your honor [REDACTED] I sent you a letter from my doctor. [REDACTED]

[REDACTED] have asked a non lawyer who has agreed to assist me to file a complaint OCS seeking a TRO and a refund of the litigation fund theft by those enterprise memebers who knew they were Violaters of article 2,knew we would be exposed to doubLe finaNcial jeopardy once they were found violaters' of our constitution. Unfortunatly your honor led one of the entrprises THAT COVERED UP THE VIOLATIONS UNTIL THEY WERE FOUND TO EXIST AS I DID NOT KNOW THAT NONE OF YOU WERE NOT ARTICLE 2 APPOINTED UNTIL THE LITIGATION FUND RAN OUT AND THEN I TOOK THE APPROPRIATE ACTION.CONCEALMENT OF A VIOLATION OF OUR CONSITUTION THAT LEADS TO DAMAGE A PERSONEL EMOTIONAL AND INTENTIONAL INFLICTION OF EMOTIONAL HARM IS ILLEGAL UNDER THE 8TH AMMEDEMENT MAKE THOSE THAT VIOLATED AND OR AIDED AND ABETED IN THE VIOLATIONS FINANCIALLY RESPONSIBLE,,YOUR HONOR AND CO ENTERPRISE MEMBERS OWE ME THAT FUND WASTED BY FRAUDUENT INDUCEMENT ,BYNON DISCLOSURE,BY POSING AS NON VIOLATERS AND I WANT THAT MILLION DOLLARS TO GET THE LAWYER TO DEFEND ME AND PROSECUTE COUNTER AND CROSS PARTY CLAIMS FROM YOUR HONOR, MR MCGRATH AND JUDGE GRIMES,i WILL NOT INCLUDE JUDGE FEOLAK AS ITS OBVIOUS YOU LED THE CHARGE AS THE COMMISSIONS DELEGATED AND RESPONSIBLE PERSON.i ALSO WANT THE COMPENSATORY LOSS OF MY 8000 HOURS@\$350.00PER HOUR FROM THE ENTERPRISE MEMEBERS WHICH IS FROM A GROUP OF FORMER COMMISSIONERS,4 ADJLS AND 4 PROSECUTORS PLUS JANE AND JOHN DOES AND CORPORATE ENTITITES1-10.

as is my opionion and your honor appointed 2 seperate violaters and has been involved every step of the way with my allegations about your honors complicity so thaty our refusal to recuse yourself is noted. Judge feolak was an innocent bystander in my caseand showed the guts to resistyourhonorspenchant to find guilt ala Judge Lilian Mcewen as far a im concerned and will not be a defendant.

I alerte your honor and Mc Grath that in order to defend i need a a lawyer and the money your actions caused me to waste must be returned to me by all the tortfesers. this is my last statement to defend myself. I did appreciate your attempt to have a settlement for all these matters which was misrepresented by Mr Mc mc grath as i did concede i would dismiss my claims if he settled consistant with the good faith i

understood he would comport himself as your honor was on the phone an initiator. I do not want this matter to end poorly for all of us but he has left me with no alternative.. I hope this non lawyer will file in about 2 weeks and if before that your honor succeeds in toning down the bully in him id appreciate it or if he wants to save your honrs reputation due to his stupidity and bullying ways subpoenaing my [REDACTED] wife that would be a step in the right direction

Again This is my last communicate in with due respect as my pain barley gives me the ability to type this response

,Respectfully

EM Daspin[im no longer able to to perform as pro see at thistime.

I do give your honor credit for assisting but follow thru is needed if we are all to salvage our reputations I wished i could be the bearer of good news. If mcgrath has a brain left in his head all he needs do is leave a message at [REDACTED].. Unfortunately his lust to punish me beyond my financial capability unless he wants me to rob my wifes life supporting funds, the good faith implicate in the settlement caused the abortion. Perhaps before the complaint may the lord give me the time and eliminate the discomfort for me to have filed in federal distric tcourt.

A close and brilliant lawyer who clerked for the circuit court for years advised me that THE INHOUSE SYSTEM IS UNCONSTITUTIONAL AS THE COMMISSION DELEGATEDS ADJLS TO ACT FOR THE COMMISSION AND BY THAT THE ADJLS MUST BE BIASED AGAINST THE DEFENDANTS THE COMMISSION INITIATE THE COMPLAINT SO THE ADJLS MUST BELIEVE THE COMPLAINT ALLEGATIONS AS THEY ACT FOR THE COMMISSION YOUR ALL ONE! NO JUSTICE. IN SETTLEMENT ID LIKE MY \$2,800,000.00 AS I DESERVE IT ALL THE 149 OTHER DEFENDANTS WERE DAMAGED AS I WAS AND _PRESIDENT TRUMP I BELIEVE WILL FIRE MOST OF THE TORTFESONRS IF HE FINDS OUT THAT FOR LOUSEY \$75,000.00 THAT I DONT HAVE YOUR COURT LOST A SETTLEMENT EXPOSING THE GOVERNMENT TO \$150,000,000.00 AND TO RIDICULE FOR TRYING TO GET BLOOD OUT OF A STONE. IF IM MISSING SOMETHING DONT TELL ME AS ILL BE TO EMBARRESED AT MY OWN STUPIDITY TO UNDERSTAND IT

YOU ALSO OWE ME AN APOLOGY AS YOU ALSO ACCUSED ME OF HIDING BEHIND MY WIFES ILLNESS. THAT WAS CRUEAL, UNTRUE AND UNBECOMING A PERSON OF YOUR STATURE.

HAPPY NEW YEAR TO YOU AND YOURS JUDGE DO THE RIGHT THING HERE AS IM OUT OF ANY OTHER RECOMENDATIONS' OF HOW TO SETTLE. IS \$75,000.00 THAT I DO NOT HAVE WORTH KILLING ME IN MY FEEBLE ATTEMPT TO DEFEND MYSELF AND RECEIVE THE COMPENSATORY DAMAGES THAT ALL OF YOU CAUSED ME KNOWING [REDACTED] [REDACTED], KNOWING THE ALLEGATIONS IN WELLS ELIMINATED THE EXCULPATORY EVIDENCE WHICH HAD IT BEEN INCLUDED WOULD HAVE CLEARED ME? THANKS FOR ADVISING ME OF YOUR HONORS POSITION.

] e

On Wed, Dec 26, 2018 at 12:50 PM, ALJ wrote:





Courtesy.

Kathy Shields

Exhibit I

Kolodny, Nathaniel

From: McGrath, Kevin
Sent: Wednesday, January 2, 2019 11:54 AM
To: [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: In the Matter of Edward Daspin - A.P. File No. 3-16509

Mr. Daspin: This is to confirm that we intend to go forward with your deposition next Tuesday, January 8, 2019 at 10 a.m. and with Mrs. Daspin's deposition next Wednesday, January 9, 2019 at 10 a.m. in the SEC's New York Regional Office, 3 World Financial Center, Suite 400, New York, N. Y. 10281, even if the partial government shutdown continues into next week.

Thank you.

Kevin McGrath

Exhibit J

Kolodny, Nathaniel

From: McGrath, Kevin
Sent: Tuesday, January 8, 2019 10:48 AM
To: [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: In the Matter of Edward Daspin

Mr. Daspin: You were under subpoena to appear today at our office for your deposition. It is now 10:45 and you have not appeared. Please let us know immediately whether you will appear today.

Kevin McGrath

Sent from my iPhone

Exhibit K

Kolodny, Nathaniel

From: edwardDaspin <[REDACTED]>
Sent: Tuesday, January 8, 2019 1:07 PM
To: McGrath, Kevin
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin

Dear Mr. McGrath, I'm very sorry but due to [REDACTED] and it took 10 days to put the enclosed declaration together, I need help. I surely hope that the court doesn't find me in contempt.

On Tue, Jan 08, 2019 at 10:47 AM, McGrath, Kevin wrote:

> Mr. Daspin: You were under subpoena to appear today at our office for
> your deposition. It is now 10:45 and you have not appeared. Please let
> us know immediately whether you will appear today.
> Kevin McGrath
>
> Sent from my iPhone

Exhibit L

Kolodny, Nathaniel

From: edwardDaspin [REDACTED]
Sent: Tuesday, January 8, 2019 1:23 PM
To: McGrath, Kevin; [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin

By the way kevin your getting me crazy as I was told if the government shut down continued the hearing is called off. Despite that I gave up the peppers yesterday so you get them today

I remember distinctly that the subpoena stated if the shit goes over that date then the hearing is so either way we are in the clear

On Tue, Jan 08, 2019 at 10:47 AM, McGrath, Kevin wrote:

> Mr. Daspin: You were under subpoena to appear today at our office for
> your deposition. It is now 10:45 and you have not appeared. Please let
> us know immediately whether you will appear today.
> Kevin McGrath
>
> Sent from my iPhone

Exhibit M

Kolodny, Nathaniel

From: edwardDaspin <[REDACTED]>
Sent: Tuesday, January 8, 2019 1:38 PM
To: McGrath, Kevin; [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin - A.P. File No. 3-16509

Dear kevini justlooked atmyemil yousenronthe 2nd [REDACTED] didnt giveme time to openit check with yourown emailand youllseeijustipenedit.No sericeby you eitherthati signed I gess thatyou forgoti informedyoui dontgetmailsometimesasjoaneithermisplacesthem hidestenthinking sheis filing them bt this snafu isyou fault i suf]geesrinthe future youensureisignasi discussed withnyiu Imnotcopyingjugemreayas she doesntlike that so illletyou tellher asi have themailan wheniopenditas you do sorry for theinconveinece.afteryou read the declaaiionand coverleterit thinkits wid=se for you toeither help saveyour collegues fromthe devastationthti beleive wil,l causeallofms when this case goespublic ceckjean engershams may 6article2915 sheis awareandinterestedinsecsnafusasiam its just [REDACTED]

Have a better dathani have and think bout settling for the \$3,800,000.00 forgivness asyoullbeasmatr buy.Imo sickiforgottheentre ce for deeral district cortissumedup i the ex f
mike

On Wed, Jan 02, 2019 at 11:54 AM, McGrath, Kevin wrote:

Mr. Daspin: This is to confirm that we intend to go forward with your deposition next Tuesday, January 8, 2019 at 10 a.m. and with Mrs. Daspin's deposition next Wednesday, January 9, 2019 at 10 a.m. in the SEC's New York Regional Office, 3 World Financial Center, Suite 400, New York, N. Y. 10281, even if the partial government shutdown continues into next week.

Thank you.

Kevin McGrath

Exhibit N

Kolodny, Nathaniel

From: edwardDaspin <[REDACTED]>
Sent: Tuesday, January 8, 2019 4:46 PM
To: McGrath, Kevin; [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin

YourallegtingsareuntrueIwasinformed thaif thepresident doesnto go forward with eliminating the shut down thatnosubpeona will go forward I neveropened you dec 2emil tillaftrri received yournotice thati was expected I hadnoobligtionto vallyoas it was yorandjudgemurrays subpeona

[REDACTED]

themleceusalontand drawup the sttlement nomoney jus\$million&youbreached the contractkevinand you shoulnothave done that asimsure when the facts comeouteveryoje wi,stateyplost a real \$3,800,000.00nowleave,e aloniipain sendme a deposition an dill try to asist buticalledoff thedepositionsand here acanbe a correctio we didnt getuntil today.If youwant tomeether cometomyhomand if she startgetting agitatedyour out onlyonemancan comeand thats it sresssharms her and i relly cnt go againsther doctors ordersnotr willi exposeher to burdensime harm

On Tue, Jan 08, 2019 at 03:03 PM, McGrath, Kevin wrote:

- > Mr. Daspin: Your claim that the subpoenas stated that the depositions
- > would not go forward if the government shutdown continued is not true.
- > Also, we subsequently made it perfectly clear to you that the
- > depositions would go forward regardless of the partial government
- > shutdown. At a minimum, while spending your time over the last ten
- > days drafting a declaration, you had an obligation to at least contact
- > us to confirm whether the depositions would proceed.
- > In any event, please let us know immediately whether Mrs. Daspin
- > intends to appear for her deposition tomorrow.
- > Thank you.
- > Kevin McGrath

> -----Original Message-----

> From: edwardDaspin [mailto:[REDACTED]] Sent: Tuesday,
> January 08, 2019 1:23 PM
> To: McGrath, Kevin; [REDACTED]
> Cc: Kolodny, Nathaniel; O'Connell, Barry
> Subject: RE: In the Matter of Edward Daspin

>
>
> By the way kevin your getting me crazy asi was told if the government shut
> down continued the hearing is called off. Despite that I gave ups
> the papers yesterday so you get them today

>
>
> I remember distinctly that the subpoena stated if the shit goes over that
> date then there is no hearing so either way we are in the clear

>
>
> On Tue, Jan 08, 2019 at 10:47 AM, McGrath, Kevin wrote:

>
>> Mr. Daspin: You were under subpoena to appear today at our office for
>> your deposition. It is now 10:45 and you have not appeared. Please
>> let us know immediately whether you will appear today.

>> Kevin McGrath

>>

>> Sent from my iPhone

>

Exhibit O

Kolodny, Nathaniel

From: edwardDaspin [REDACTED]
Sent: Friday, October 26, 2018 6:46 PM
To: McGrath, Kevin; [REDACTED]@sec.gov; [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin - File No. 3-16509

Dear Kathy;

please give this to Judge Murray and Mr Fields for the commissioners ill file monday or tues. am thanks

Dear.Mr McGrath ;

I have not filed it yet.It is premature to say untill I obtain the Commissions findings i wont be able to select any schedule as my draft made clear that i need a law firm to represent me,they will handle the schedules after the motions are decided by the panel..Im stressed.Judge Murray has a conflict of interest.i asked you to inform her of that effect.i cannot focus on the schedule now as she will not be the judge as My motion of the commission is federal court as the SEC mandate explains sick Defendats are mandated to commence juristicition in federl district court..

IN addition i cant represent myself if you read the draft and [REDACTED].Please explain to Judge Murray that I require the defense fund that you fraudulently induced me to expend on judge Grimes case,knowing he was a violater the article 2.Judge Murray also has culpability in wasting my time!The Supreme court spoken and iinterpret the means a fresh start. Judge Murray does not represent fresh start and we all know that as well.Sorry i couldnt assist you Mr Mc Grath

Until I get that i cant really handle the stress.

Be a nice boy .I will explain that your harassing me.Please read the draft it informs the viewer that i cant take the stress of in house !Judge Murray is capable of waiting the few days and I request that give me and the commission the time it needs!until the Commission has made its approval and or denial of my motions and i ask her not to preempt any schedule until the motions to be fled tommorow or monday are ruled with copys to her. Any interum actions would be unfair stress .Judge Murray knows the fact that judgeFeolak found that iwill be irreperably harmed if forced to testify!im worse now.Please read the draft I sent it to both of you so the court would not think im being arbitrary or contemptuous as im not. I respect her and im sure she respects me.

Judge Please ask Mr McGrath to not harrass me I hope you understand my needs.You probably have a father my age.I cant take stress an need a lawyer to represent me once the commission answers my motions for the expense of reimbursement of the litigation funds the agency and it staff duped me out of.You knew this would come up and now it has.I dont want to facilitate a class action and I asked the commission,not this honorable court to assist us all.Thank you your honor for being good listener.i took the time to write the draft declaration for you more than anyone so youd know im not being disingenuous and trying to cooperte. Please dont make this any more difficult than it was before. Mr mcGrath spends his time angering everyone to become adversary's im not yours and i hope your not mine. Im entitled to have a lawyer as im ill and have responsibilities so please reveiw the draft.im revising it to ask the commission to settle

us out. Lets leave good enough alone. All in due time unless there is so need emergency i don't now about and if there is one i cant be near it! Thanks Respectfully

E M Daspin Pro SEe

On Fri, Oct 26, 2018 at 02:42 PM, McGrath, Kevin wrote:

Mr. Daspin: We are in receipt of your motion from last night seeking various relief, including a stay or dismissal of this proceeding. Chief ALJ Murray will decide when and how your motion will be considered. In the meantime, as you know, Judge Murray has asked the parties to propose a hearing schedule by Monday. Do you agree with the hearing schedule that we have proposed, as set forth below? If not, please let us know what dates you propose, so that we can attempt to reach an agreement on a proposed schedule.

Thank you.

Kevin McGrath

From: McGrath, Kevin
Sent: Thursday, October 25, 2018 12:10 PM
To: 'edwardDaspin'
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin - File No. 3-16509

Mr. Daspin: Please let us know by tomorrow if you have any response to our proposed schedule set forth below. Our letter to Chief ALJ Murray is due Monday, October 29.

Thank you.

Kevin

From: McGrath, Kevin
Sent: Monday, October 22, 2018 2:01 PM
To: 'edwardDaspin'
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: In the Matter of Edward Daspin - File No. 3-16509

Mr. Daspin: I am sorry to hear about [REDACTED]. I wish you [REDACTED]. Set forth below is a proposed schedule. It includes a date for you to file any preliminary motions that you may wish to file regarding the case, subject of course to Chief ALJ Murray's approval. Please let us know your thoughts on this schedule.

Secondly, we propose holding the hearing in a courtroom in the Southern District of New York, if available, or if a courtroom is not available, at 26 Federal Plaza, also in lower Manhattan, where the hearing was originally scheduled to take place. Please let us know your proposal for location of the hearing.

When we submit our letter to Judge Murray later this week regarding the proposed hearing schedule, and proposed location, we will include your prior emails to us on this subject, as requested.

Proposed Hearing Schedule

November 9 - Deadline for: (1) Respondent Daspin to file any preliminary motions concerning any claimed medical or other issues; and (2) parties to exchange proposed witness lists, including names of experts, and exchange expert reports

November 16 - Deadline for filing any motions for leave to depose more than three people

January 4 - Deadline for completion of depositions

January 11- Deadline for seeking leave of Court to file motions for summary disposition^[1]

January 18 - Deadline for: (1) exchange of final witness lists; exhibit lists and pre-marked copies of exhibits; and (2) deadline to file any rebuttal reports to expert reports

January 25 - Deadline for filing any motions in limine or objections to adversary's exhibits and witnesses

February 1 - Deadline for filing any brief in opposition to any motions in limine and in response to adversary's objections to exhibits or witnesses

February 8 - Deadline for filing: (1) prehearing briefs; and (2) requests for official notice, stipulations and admissions of fact

February 15 - Deadline for filing briefs in opposition to requests for official notice, stipulations and admissions of fact

Week of February 18 - Prehearing conference

February 25 - Hearing commences

[1] Following dates subject to change if leave to file summary disposition motion(s) granted

[1] Following dates subject to change if leave to file summary disposition motion(s) granted

Exhibit P

Matter of Daspin, AP File No. 3-16509

Admin_proceeding_20181114

11/14/2018 10:34 AM

Full-size Transcript

1 THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2
3 In the Matter of:)

4)
5 EDWARD M. DASPIN)

6 a/k/a "EDWARD (ED))

7 MICHAEL"; and) File No. 3-16509

8 LUIGI AGOSTINI; and)

9 LAWRENCE R. LUX)

10
11 ADMINISTRATIVE PROCEEDINGS - PRE-HEARING CONFERENCE

12
13 PAGES: 1 through 54

14 PLACE: 200 Vesey Street

15 New York, New York 10281

16 DATE: Wednesday, November 14, 2018

17
18 The above-entitled matter came on for hearing,
19 pursuant to notice, at 10:34 a.m.

20
21 BEFORE (via telephone):

22 BRENDA MURRAY, Administrative Law Judge

23
24 Diversified Reporting Services, Inc.

25 (202) 467-9200

1 APPEARANCES:

2
3 On behalf of the Securities And Exchange Commission

4 KEVIN MCGRATH, ESQ.

5 BARRY O'CONNELL, ESQ.

6 NATHANIEL KOLODNY, ESQ.

7 200 Vesey Street, Suite 400

8 New York, New York 10281

9 (212)336-1100

10
11 On behalf of the Witness:

12 Edward Daspin, PRO SE

13
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1 want to cooperate, but that I cannot give a
2 schedule that I'll be able to live up to because
3 the motions are going to require time, the
4 Commission's entitled to time, I'm entitled to
5 appeal.

6 And I then said, why don't we settle this?
7 And I said to Mr. McGrath, I'm willing to walk
8 away from it and let's just shake hands and I
9 will agree that I will follow the law and that's
10 the end of it. I want to get it over with. I
11 don't have any money anyway. This suit is not
12 going to go anywhere, and it's hurting the
13 government of the United States if I prosecute.
14 I don't want to do that.

15 JUDGE MURRAY: Well, I mean, you wanted to do
16 things -- federal is a different issue.

17 My issue is, can I get the parties to go
18 forward to a hearing to resolve the allegations?
19 And you have made it clear, Mr. Daspin, that you
20 are not ready to do that, and if you're not
21 ready --

22 MR. DASPIN: Your Honor, I'm ready, but I
23 cannot approve that schedule. Don't say I'm not
24 ready. I'm ready.

25 JUDGE MURRAY: Give me your schedule.

1 MR. DASPIN: I can't approve the schedule
2 that they submitted for the reasons I stated on
3 the record.

4 JUDGE MURRAY: Give me your schedule.

5 MR. DASPIN: You -- pardon me?

6 JUDGE MURRAY: Give me your schedule. How
7 would you have us dispose of it?

8 MR. DASPIN: My schedule is that I will kick
9 off the ball after I make the motions that I've
10 just discussed if you'll give me a copy of this
11 record, after I mail them to the Commissions, and
12 have all the reasonable opportunity to appeal the
13 court's decisions if they're appealable, I will
14 follow the schedule that they set forth, only
15 delayed until I get the answers and have the
16 right to my appellate protection.

17 Of course I want to get this done. I
18 actually think when I answered the OIP, which
19 I'll be working on in the interim as I send out
20 the motions, that I might convince you for
21 summary disposition, although in one case, that
22 you never have reversed the Commissioners OIP and
23 complaint because they're the ones that issued
24 and initiated it and it would be like you
25 reversing the very people that had the right to

Exhibit Q

Kolodny, Nathaniel

From: edwardDaspin [REDACTED]
Sent: Saturday, December 15, 2018 8:52 AM
To: McGrath, Kevin
Cc: O'Connell, Barry; Kolodny, Nathaniel
Subject: RE: Matter of Daspin, AP File No. 3-16509

Do not contact me.if i lose my motion[s] to enforce the settlement ,to vacate,or dismiss,to move the case and to receive a refund of the litigation feeand the theft by you,judgemrrayand the rest of the pack then ill see what can be done to bring you to justice,your crook,you tried me using a fake inferior officer asif not a volunteer along with your fellow crooks.itsyou that is the felon not me.Insult and attack my wife will you!Youll see what happens to persons that are mean spirited that seek joy by harming innocent persons that suborn perju rynd deny agreements so beit my laywer will name every wmma employee but no one will be noticed as i cant take the speed emdaspin do not contact me in the future Das[imn

On Fri, Dec 14, 2018 at 06:52 PM, McGrath, Kevin wrote:

Mr. Daspin: We have not yet received your Proposed List of Witnesses, which was due today pursuant to Chief ALJ Murray's November 19 Order. Please forward your proposed witness list to us in compliance with the Judge's Order.

Thank you.

Kevin McGrath

From: Kolodny, Nathaniel
Sent: Friday, December 14, 2018 3:34 PM
To: [REDACTED]
Cc: McGrath, Kevin; O'Connell, Barry
Subject: Matter of Daspin, AP File No. 3-16509

Dear Mr. Daspin:

In accordance with the procedural schedule in the November 19, 2018 Order Following Prehearing Conference, attached please find the Division of Enforcement's Proposed Witness List.

Thank you,

Nathaniel I. Kolodny | Senior Counsel

U.S. Securities and Exchange Commission


212-336-5104 | 

Exhibit R

Kolodny, Nathaniel

From: edwardDaspin <[REDACTED]>
Sent: Tuesday, October 16, 2018 7:22 AM
To: McGrath, Kevin; [REDACTED]; [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: RE: In the Matter of Edward Daspin - File No. 3-16509

Follow Up Flag: Flag for follow up
Flag Status: Flagged

Mr McGrath,

I do not know what you are talking about.if you sent me a cd rohm [!!} I do not have it.perhaps it was not sent to me when joan and i shopped but if it comes in i will let you know

Know with respect to Judge Murrays request I will shortly file a series of motions one of which is a stay on Judge Murrays proceedings as she has conflict of interest as well as downright fraudulent behavior which enforcement covered up for years.The Inhouse proceedings have bilked defendants since 2009 and i recon about 5,000 persons paid fines penalties disgorgement fines ordered by an adjl not authorized to be a magistrate!! and the cover up and assignment s by Judge Murray constitute a conspiratorial and collusive enterprise act in which you were the enterprise and the adjs your and the former commissioners improper illegal proceedings. The monetary costs that i was fraudulently induced to dissipate must be replenished by the enterprise members ie; the former commissioner including mary Joe White,yourself Judge Murray ,barry nick and the division and Ms Kazon, the lady that permitted the fraudulent inducement of me to proceed until DELucia spoke.

Her judge switching is duly noted,her permitting bias under her watch is also duly noted.I am not [REDACTED] to be involved in an sec in house witch hunt as the supreme court in its wisdom saw thru the charade and punished the sec by having it start over .to me that starts at the Wells letter which omitted material facts purposely so that there could be a dispute of facts when the elimination of exculpatory evidence and misstatements of facts require a new wells so that any complaint is based on the real facts which as you knowwas not contained in your wells submission,just trash from which a complaint,if you can call it that was rendered with the same fraudulent representations.

Iam owed the \$1,000,0000.00 litigation fund which you,judge Murray,the Grim Reaper and all other ajls fraudulently induced me to expend on a defense in a sham violators court room pretending by deceit,fraud and deception that the in house was in conformity with the constitution. Iit was not as evidenced by the Supreme court case DELucia,You withheld material information from defendants including the fact that non of the ajls were in violation of article 2 the appointment clause,that the in house proceedings are mared by the fact that it starts with the commission and ends with the same commissions first appellate right.Since no meaningful judicial review is guaranteed as the circuit must be petitioned to hear the case,there is a dead end,and with that no constitutional rights to receive meaningful judicial reveiw.In our country all citicens must

receive equal treatment under the law. If John Doe receives the presumption of innocence I have the same right and the SEC's classification of who to classify as in-house or federal district court is prejudicial, biased and removes the equal rights under the law from the same group you remove the presumption of innocence. Who do you think you're fooling! Not me, not for a moment. As President Trump recently remarked are to be presumed innocent that is not the case in the kangaroo proceedings, nor can Judge Murray's implicit concealment of the fact that she and the other adjls were not able to find fact even in any court, as they were inferior officers and therefore under the commission. This new commission will, I believe see the facts without continuing the travesty. That enforcement commenced the fraud by concealment, deception and the commission of more than 2 per petition predicate acts of theft by fraud and deception qualify as the enterprise and its known members to be considered under the civil rICO as your well as entire controversy with my counter claims petitioned require that you and she recuse yourselves from any proceeding in which I am a defendant as you will be a counter claim defendant and I can't process those claims under the agency as some of its members formed an illegal alliance to defraud defendants his controversy is well noted. Under the entire controversy doctrine, the mandate that two defendants see the sunlight in the federal district court system, the theft of my defense fund and my time and the real conflicts of interest which are directly related to and participated in by Judge Murray are undeniable. Of our defense fees to run us out of money will not be permitted

[REDACTED]

[REDACTED]

[REDACTED] from the federal judge when I filed the tro conning her with Dodd-Frank jurisdiction to defraud & withholding the fact that in-house did not have any adjl confirmed by article 2 is about the greatest fraud a prosecutor can pull on a federal judge and defendant. You're responsible with your cronies for theft of my time without due process knowingly defrauding a federal district court judge and conveniently switching my application for the federal district court for medical reasons' as is a mandate of the agency you collaborate with, proves that you needed a fix when it comes to falsely alleging that I committed wrong doings when nothing of the sort occurred and if it occurred [which it did not] your moving it to a violator court knowingly defrauding me for many months is reprehensible. I know the in-house fix, where a defendant is looked on as guilty. Your cronies and you suborned perjury, meddled with the Brady and falsely and fraudulently crafted a Wells letter you know was full of fiction to make a case of fraud by your own fraud along with the McFarlane enterprise. You hid their perjury by their filing declarations under the penalty that they have not yet been served for is not appreciated. Nowhere in the Wells is there any hint that some of the material witness you rely upon committed perjury before a US Bankruptcy judge. Now where is your admission that Nwugugu took credit in his charters insurance claim for being the author of all WMMMA PPMS, nowhere in your Bs Wells was the disclosure that the Brady investors admitted that they accessed the internet and found my felony, that your key whistleblower admitted in testimony that she and Berjedekian both were informed of my felony at the 2nd interview by Andrew Young and that was over a month before they invested as Mr Main and Mr Lange had been disclosed and M Lockett was informed and spent 10 days in our office before he invested as he wanted to try it out. You withheld Mr Lux's depositions' exculpatory a statement that I was not a de facto CEO only a consultant, that I did not

own shares in was not a board member and/ or officer of wmma and that the wmma board resolutions controlled WMMA not me. Nowhere did you dispel the fact that lux wanted to rid wmma of me and mkma and that he was disinterested as was Main as board members when it came to me! It was the Wmma board that hired him, not me and his puny compensation of \$2,000.00 a month did not make him beholden to me, quite the contrary, he was hired by the WMMA board, not by me as i and cbi did not have the power to bind WMMA by contract. Read the JAN 20, 2011 MKMA/CBI/WMMA service contract to know what your talking bout! So there was no control as you alleged and fir that matter the Sweat equity fees would have exceeded the hard cash employees h/r fees as the 5% override regardless of a cap every month as long as the company lived and if successful MKMA would have received 10% or the first 5 years of \$150,000.00 a year of ir \$75,000.00 against the \$38,000.00 and then 5% going forward for ?? years is another \$37,500.00 for 5 years [thats over \$125,000.00 fee in the first 10 years it was just on the back end which we all believed in as our fee investment clearly demonstrates. as i had not spoken to him for 8 years before i recommended him for a WMMA jobs as he fit the companys' needs! Every allegation that you criminally proffered was undermined and exculpated by the facts > Who paid you off to prosecute a phony claim against me.

Beleive me Jesus Christ will shame you and your family for the fraud you perpetrated against me. I will move for releif

and until I do please send me your schedule consistent with Judge Murrays order as until I remove myself fro this reprehensible proceeding i do not intend to be in contempt.

I will respond to any recommendations for scheduling that you proffer. It will be in the copy of the 102[A][b] B !

Please notice the court that I will file a motion under a rule i believe its 102[a] and {b} to sever and vobject.

I need a lawyer and the fraudulent inducement by you, Barry Nick, judge Murray, Leslie and the upper echelon of enforcement is responsible for the fraudulent inducement causing me to lose the litigation fund gives me the right to demand now that all of you collectively and or severally donate to replacement litigation fund so that im represented by counsel as the strss to be a pro seemust come to an end. Since each of the aformentioned are the cuse for its theft i do not see how any djl that participated by accepting in house cases can be used to route me from Judices doors. It may take me more time to frame my declaration but it will include motions for releif:

1] Stay judge Murry

2] vacate the complaint as it was written and initiated by fraudulent wells submission which must be either rewritten so i the case starts out as a fresh start implicit in the Supreme courts decision, but they did not know the underlying facts in my case were fabricated and made up to try to hold a dismissal motion off by falsely alleging the parties disputed the made up allegations].

3] Settlement motion for the commission to accept the ombudsmen s strategic plan the whistleblower funding of \$2,800,000.00 for the 4 years hours theft by the enterprise and full reale as by me for the sec employees so we can move foreward together and cure the elimination of due process and presumption of guilt ocured by any case that is not in and of itself a violation of sec rules and regulations and not made up hypothetical allegations as you pulled off here hiding facts', misrepresentation as fact non facts etc. Its A joke!

that prompted the initiation of a false allegation knowingly deleting the exculpatory evidence from the complaint and is after all wells submissions and that removes if the advocate shows the commission fraudulent inducement in wells as here, against the defendant to be so that you lose jurisdiction and the commission loses further appellate right before dodd frank locks in and if the commission does not agree the jurisdiction is federal court! That's it so that a defendant get a fair chance

4] Motion for replenishment of litigation fund that was fraudulently induced by your enforcement division knowingly filing cases for Judge Murray to assign to no article 2 qualified adjls and each and every adjl has a vested interest as a tortfeasor to find me guilty as they all collectively feigned that they were constitutionally authorized to find fact when they knew they were not. That gives each and every adjl a conflict of interest as my claim is the enterprise members collectively and individually conspired to collude by deep pertion and fraud to steal compensation for eaches benefit knowing that if they disclosed the facts they would not gain anymore cases until appointed under article 2. Enforcement and the commissioners and judge MURRAY WANTED TO BE ABLE TO FIRE ANY ADJL AS A VIOLATER OF THE CONSTITUTION AS THEY DID NOT TRUST THAT EACH ADJL WOULD SUCCUMB TO JUDGE MURRAY'S DOMINATION IN MY CASE THE HONORABLE KIND JUDGE CAROL FEOLAK DID NOT SUCCUMB SO JUDGE MURRAY ORCHESTRATED AN ADJL REPLACEMENT UNDER HER SCHEDULING RIGHTS THIS ARTIFICIAL CONTRIVANCE SET THE STAGE FOR THE BIASED DISOLUTION OF THE POSTPONENT SINE DIE IN THE FACE OF A FINDING OF IRREPERBE HARM. JUDGE MURRAY WAS A CO CONSPITATOR WITH JUDGE GRIMES AND ENFORCEMENTS' EXTRAIN WHICH YOU, NICK AND BARRY PLAYED A ROLE BY NONDISCLOSURE OF THE VIOLATIONS OF ARTICLE 2, BY THE FRAUD PERPETRATED ON A FEDERAL JUDGE, BY THE CORCION OF MR AGOSTINIS SETTLEMENT AND BY YOUR DIRCT ROLE IN FILING A FAKE WELLS LETTER TO OBTAIN INITIATION OF A FRAUDULENT COMPLAINT KNOWING THAT THERE WAS NOT ONE FACT UPON WHICH A CASE COULD BE MADE AGAINST ME AS I WAS A FINANCIAL BENEFACTOR, I HAD GIVEN UP ANY VESTIGE OF CONTROL ON JAN 15 AND 20TH 2011, THE HR FEES WERE ADMITTEDLY COPIES BY MR NWUGUGU OF PRIOR FEE AGREEMENTS HE CREATED AS HE ADMITS IN CHAMCO WHEREIN I WAS FOUND INNOCENT OF OVER 40 PARAS' AND 15 COUNTS SIMILAR TO THOSE HERS AND WHEREIN JUDGE GAMBREDELLAS' TRUSTEE ADVISED HER THERE WAS NO CASE HERE AND THAT I HAD REFUTED ALL THE ALLEGATIONS MADE BY THE MCFARLANDE, MAIN, SULLIVAN BERJEDEKIAN INVESTORS SO SHE THREW THE CHAP 11 OUT OF HER COURT AS THE ALLEGATIONS STANK. JUST AS HERE 1 JUDICIAL CONDUCT TO RIG MY CASE, TO CAUSE ME IRREPRABLY HARM TO STEAL MY TIME AND AFFLICT ME WITH EMOTIONAL TRAMAMA by Judge Murray as in CONMCEALMENT of adjls and the former commissioners all collectively the enterprise, which john and jane does And corporate entities 1-100 DEFRAUDED ME AND THE OTHER DEFENDANTS.

RESPECTFULLY;

EDWARD M DASPIN PRO SEE. We need a fresh start this is my schedule for your consideration

be wise and facilitate a settlement that makes everyone whole

5] Motion to move to federal court jurisdiction for medical, family and emotional reasons and as I have lost over 6 months and indispensable witness a stay of any proceeding until the federal district court permits me counter claims, the litigation funds and establishes whether the sec has an action upon which any claim can be stated if the wells letter was genuine and

if the exculpatory evidence was included in the wells there would be no claim to state an action is supported.

[REDACTED] as I know know the speed with which it moves and while I'm writing this memo I have my blood pressure machine warning me at this time it's 210/110 so I must stop to save myself from their irreparable injury that can befall me. Thanks for defrauding me out of my defense money violating the mandate when I filed the tro suborning perjury and meddling with the Brady and double teaming Mr. Agostini with Judge Grimes' crafty and slick order in violation of the 2nd circuit's stay order. I hope when your my age the same fate befalls you.

On Mon, Oct 15, 2018 at 02:10 PM, McGrath, Kevin wrote:

Mr. Daspin: The password for the CD-ROM sent to you on Friday is [REDACTED]

From: McGrath, Kevin
Sent: Monday, October 15, 2018 2:06 PM
To: [REDACTED]
Cc: Kolodny, Nathaniel; O'Connell, Barry
Subject: In the Matter of Edward Daspin - File No. 3-16509

Mr. Daspin: As set forth in the attached Order, Chief Administrative Law Judge ("ALJ") Murray has directed the parties to submit proposals for further proceedings in this case by October 29, 2018. She requests the parties to confer and submit a joint proposal, if possible, that addresses the numbered items referenced in Section 201.221(c) of the SEC's Rules of Practice. We sent you a hard copy of the Rules of Practice by overnight mail on Friday, October 12. They are also available online at <https://www.sec.gov/about/rules-of-practice-2018.pdf>.

Those items, in summary, include:

1. Setting a hearing date and location;
2. Setting dates for requesting permission to file dispositive motions;
3. Setting dates for depositions, if any, before the hearing;
4. Setting dates for completing discovery; exchanging witness and exhibit lists and copies of exhibits;
5. Timing of expert witness disclosures and reports;
6. Addressing possible stipulations regarding admission of facts, stipulations concerning the contents, authenticity or admissibility of evidence; and matters of which official notice may be taken.
7. Setting a schedule for exchanging prehearing motions or briefs.

8. Exploring settlement.

We suggest that we first attempt to agree to a proposed hearing date and then work backward from there regarding the other deadlines. You should be advised that under the new Rules of Practice, a party may depose up to three persons as of right and may seek the ALJ's permission to seek to depose up to two additional witnesses, but such a motion must be filed no later than 90 days prior to the hearing date.

Currently, we intend to depose you. We reserve the right to depose two additional persons, and to seek to depose up to two additional persons, as circumstances, including receipt of your proposed witness list, dictate.

Please let us know what date or dates you propose for a hearing and which, if any, persons you currently intend to depose. Once we agree on a proposed hearing date, we can then address appropriate proposed dates for the pretrial discovery items listed above.

Finally, we also are aware that you have filed a motion with the Commission seeking various relief. We propose advising Chief ALJ Murray of that motion when we submit our filing on October 29, 2018.

Thank you.

Kevin McGrath

Exhibit S

[REDACTED]

[REDACTED]

Declaration and brief and certificate of service

Dear Mr. Field Dear MS Scheilds ';

Dear Judge Murray and the commissioners.

I swear under the laws of the united states that the following declaration is true to the best of my knowledge .i know if I willfully make any statement that I know to be false I would be subject to punishment.

1]I enclose an email I sent to Judge Murray and the contents contained therein are true based, on the amount of time left to be put in the federal district court law suit that I must file against the 2 holdover commissioners, the prosecutors' on my case including: MS kazon,Mr. Kolodny, Mr. McGrath, Mr. O' conell and the Newco enterprise members' including the WMMA investors' and the McGrath Sec enterprise members as John and Jane Does which will include all adjls[except Judge Carol Feolak] and every other commissioner under the Hon. Mary Joe White; who permitted this trash allegations about me to be filed as a complaint knowing that the inhouse jurisdiction consisted of 6 adjls all of whom were not appointed under the article 2 appointment 'Enforcement was aided an abated by those commissioners and judge Murray to fraudulently induce me and the other 150 defendants to spendou4elitigationfundson fake inferior officer adjls' who had a fiduciary to the very initiator of the complaint in the first place.

Commented [M1]:

2]Their administration of each case and mine was riddled with conflicts of interest and worse; so that the commissioners', the adjls' and the enforcement division was all controlled by the commissioners. In poker they call that a rigged deck! It was worse as that fraudulent inducement also harmed me emotionally by Judge Grimes bias against Judge Feolaks order of postponement sine die and against me. He dissolved it in the face of a finding of fact that were anyone to do so they would irreparably harm ME!.All for naught. The defendants to be, as a group ,stole my 4,000 hours spent on a case that all of them knew was a kangaroo court and with no disclosure to my so I went in the dark. That is the conduct this agency is supposed to safeguard us and not inflict on us!. Thats' a fraud triple .In addition they stole my defense fund of one[1]million dollars and I need it to be represented by a law firm as im too ill at 80 to be a Pro see anymore. In addition when I file I will ask to consolidate the SEC case with it as it will require a jury from NewarkN.J I tried to give you a chance to repent but not a word only a notice for a hearing by a conflicted judge Murray whose recusal ive asked for. If she read the submissions, which she admits she has not ;yet she would know all about the conflicts. I cant' file counterclaims inhouse and wouldn't even if I could to file counterclaims against this agency's' personnel when they as individual's knew that the entire exercise was meaningless and would not stan helight of day.

3]Every dime I had my insurer spend which was approxamatly\$1,000,000.00 was defrauded by those to be named defendants for a conspiracy and collusion to hide the facts that all of them were compromised as inferior officers and they have a fiduciary to the commissioners as even know inhouse Is unconstititutional as it violates the equal rights to all of us.The SEC inhouse eliminates the meaningful

judicial review to the circuit that the SEC federal defendants automatically receives the circuit does not have to take an appeal from the commissioners first right of appeal. In federal district court those SEC defendants have the automatic right. Its unconstitutional as a result and since the commission has the first right of appeal and since they initiated the complaint in the first place they are conflicted out so it's a circle which you get in communist countries not in America.

4) I bless the Supreme court for having the wisdom and strength to overrule in Lucia and by doing so not one inhouse hearing is constitutional as I thought it through. I've asked you to reimburse me [REDACTED]. If I must file, even if I die doing it, I will before I die. I need repatriation of the litigation fund that the SEC person's referred to hear in above fraudulently induced me to spend..

5) Lastly Judge Murray ordered me to attend a hearing knowing that I can't live up to any schedule as it's the lawyer I get after I'm reimbursed for the damages the fraud your predecessors perpetrated against me schedule and not mine [REDACTED]. It is her Judge James Grimes did a number on me. Now I know the fix is circular from, to and back to the commissioners. Let her get a new victim as this one is worn out and her Judge Feolak explained I'd be irreparably harmed if forced to testify and my health is 3 years older now!.

6) Since I've asked Judge Murray for the phone number to the conference if I do not get it this is my response. She must recuse herself as I'm going to shortly sue her and the entire group of fraudsters and she is at the top of the heap as she appointed 2 violators to my case and was violator herself unless she proves differently.

7) I hope to file next week but if it takes longer I want to go on record that there is no sense to her being involved and as a result of my illness and the motions I've made if not answered before I file you won't be able to say that I did not give you a chance to resolve this entire controversy. The article 2 disability was hid by the collusion and conspiracy. Let's not hide from my offer. Will you look ridiculous in a no asset case already spending one million on a witch hunt!? Now you want to spend more on a no asset case. How will our President ever save face when it's his own agency pulling this fraud against the American people and an innocent defendant no less? I feel like him, as it's a witch hunt and a collusion and conspiracy to gun me down!

Respectfully

Edward M Daspin Pro See [Not for long]

Exhibit T

Kolodny, Nathaniel

From: edwardDaspin [REDACTED]
Sent: Monday, November 19, 2018 5:38 PM
To: Thomas, Charvelle
Cc: O'Connell, Barry; Kolodny, Nathaniel; Luigi Agostini; McGrath, Kevin; Woodworth, Charles; Shields, Kathy Moore [REDACTED]
Subject: RE: In the Matter of Daspin, et al., 3-16509
Attachments: judgejudy2.docx

Dear Fellow Litigators.

I have asked for a transcript of the hearing. I informed Judge Murray that she has an unwaivable conflict of interests and cannot be my adjl as a result. The Judge appointed herself and since she defrauded me and assisted enforcement to steal my litigation fund by her appointing violators of the constitution to hear my case she has culpability in both the theft of the litigation fund as well as theft of my 8,000 hours and so her conflict is undeniable. In that regard I will proceed to either the commissioners for her recusal and all the other adjl actors as my illness is well documented and federal district court is the only proper and mandated jurisdiction and theft of 4 years of my time indicated that Judge Murray has a contribution liability to me and therefore she would be biased against me in any proceeding.

The inhouse proceedings are unconstitutional in that they don't afford equal rights to the inhouse defendants as inhouse cannot obtain meaningful judicial review automatically to the circuit court as SEC federal defendants can and so it violates equal rights amendment inhouse defendants need permission to move to the circuit court after the commissioners first right of appeal

I informed the court at the hearing that I need the litigation fund of one million stolen from me in part by the courts assignment of 2 imposters whose fiduciary was to the commissioners who initiated the complaint in the first place. I advised that if this matter is not settled I intend to file a federal district court lawsuit and meaning the parties in the letter I recently sent to the commissioners as well as Judge Murray and enforcement. Judge Murray agreed to send me a transcript of the hearing so that I can refer to it for any protests as I do not have available funds for the transcript nor for the litigation fund replacement so I need the commission to replace it for me to get a fresh start.

I did inform Judge Murray that she should recuse herself and motioned for that in my last motion email to her. Judge Murray did inform me that the New rules specifically do not give a defendant the right to counsel. I informed the court that she and the other parties that defrauded me would have to come up with the funds as their actions defrauded me to spend the funds on fake judges and that fraudulent inducement includes the prior commissioners under Mary Jo White as well and not the new commissioners under our current president.

It was my impression that we made an amicable agreement but if Judge Murray doesn't want it that is up to her. I expect her to play a role in it as I am here because of her abuse of discretion as Judge Murray knows that I blame her for manipulating adjls to my disadvantage before the remand. I also informed Judge Murray that I am entitled to a full year under Dodd Frank and the judges schedule today is impossible for me to be able to live up to. I had asked the court to permit me to motion the commissioners with respect to

these issues [REDACTED] and im not a lawyer and regardless of rules if I am not given adequate time to prepare then the court is technically defaulting me. In that case The courr can do what ever it wanted to do.I cannot live up with that schedule, cannot represent myself any longer and Judge Murray is what has been described in the old west as a hanging Judge; in that she did not contravene Judge Lilian McEwens statement that Judge Murray wants more guilt verdicts from her adjls With that biased view no defendant is safe nor can one receive a fair trial with that type of mentality..This bias must not be in an unbiased impartial tryer of facts as it is the antithesis of what a judge is supposed to have.I specifically explained that the stress of such a speedy trial was unrealistic for aman in my health and age of 80!its now apparent that if there is no settlement we will end up in federal district court with respect to the unconstitutionality under the equal rights amendment. If request that the commission reimburse me for the funds Judge Murrays' fraudulent inducement and enforcements fraudulent inducement led me to expend my litigation fund on fake Judges..The court has motion by me and no answered those motions so i await those answers.The court state it would seek the opinion of the Commissioners with respect to the fresh start and the wells letters requested revisions to include the exculpatory and the commissions decision with respect to the fresh start being one year as thats dodd frank and i did not draft the 2015 answers a new explain e that i had no files [REDACTED] eliminated them as old files which she was trying to move out all of them she is selling her home. law firm did and my veiw point is enforcement deleted all exculpatory evidence and if included the comissioners would not initiate a complaint.Thats the fresh start that i believe the supreme court would grant..

, Mr Mc Grath submitted a version which did not include the benifits id like the commission to consider.Mr Mcgrath wanted my pesmission for my credit core and inferred that after he received it he would review the settlement offer.i enclose the spirit of what id like the settlement to include.

we both agreed that i would deny all allegations,that i did not have the financial capacity even mr lux had and so I believed we settled however if mr Mcgrath wants to reconsider id like to know know to plan my applications in federal district court.

I attachmy wishlist sfakeJudgeGrimes hasmalignedmeand harmedme when when he was a violater of the constitution and i want that represented as part of the settlement agreement and ive made suggestions along that line in the attachment included hearin I must gain inform the court that i no longer have the ability to be prosee.I cannot use the 2015 response to the wells as the wells submitted by enforcement deleted the exculpatory evidence and a fresh start must in this case go back to the res.If the Wells was the stimiuli for the complaint and since it deleted material information.It is my opinon we must go to the Res so the new commissioner,both those that permitted a fix and kangaroo court to rule on defendants inhouse knowing they were inferior officers and the commissioners inferior officers to beet.In other words theprior vommissioners were derilictintherdutyand had a duty to discloseup front,They therfore didnot renderan initiationof a complaintwith the fullknowledgeofboth sdes and theyabuse their process as the letme getshorn byJudgeMurrays assignement of fake judges.The punishment for this conduct to the defendants must be given consideration as the Supreme court to my knowledge didnt consider theft of thelitigationfundsmImnot theUS and donthaveits funds

I informed Judge Murray that im considered that she would be a defendant in my proposed federal district court action and further that intend to file a tro and to

consolidate the SEC action with my in house action as i mantain that the enforcement divisions Enterprise and Mc farlanes newco joined forces and that ech has culpability along with certain adjls and prior commissioners.

I wait the Transcript to fully document my positions.If during the interim mr Mr.McGrath settled this case as Judge Murray,mr McGrath and I discussed and i believe reached an agreement and with certain wish list sunder consideration then we may put this horrid afair under final wraps

I informed the court that I hold it and enforcement responsible for the to perpetrate against me and its in my vacate motion that Judge Murray has yet to answer.

Respectfully

EdwardMichael Daspin pro see for little longer!!

On Mon, Nov 19, 2018 at 01:17 PM, Thomas, Charvelle wrote:

Good Afternoon,

Courtesy copy of order Issued today.

Thank you,

Charvelle Thomas

Charvelle Thomas

Office of Administrative Law Judges

Program Support Specialist

U.S. Securities and Exchange Commission

100 F Street NE Room 2585

Washington, DC 20549

Office: 202.551.6079

E-mail: thomasch@SEC.GOV

Exhibit U

Kolodny, Nathaniel

From: edwardDaspin [REDACTED]
Sent: Thursday, December 20, 2018 10:16 AM
To: shieldk@sec.gov; McGrath, Kevin; [REDACTED]; Kolodny, Nathaniel
Subject: RE: FW: Daspin v SEC Complaint 112315.docxsend to mr scheid3-16509at

this is the right idea thanks just add the litigation funds,the hourly theft of 8,000.00 hours diversion based on fraud fraudulent inducementt inducement and omissions of material facts

subornation of perjury by mc grath and Nwugugus retraction letter..

i need a new wells as the colluders ie the commissioners who conceived the fraud and there is as the inferior officers were on their side and did not tell us they lied to the theft of my litigation fraud,led to the conspiracy and clussion to conceal the facts so i was applying to their inferior officers thiking id get a fair trial from the irinferior officers i thought were superior and independant of the adjls!litte did i know i was speaking to my enemy set on proving alleged guilt and the jucial proved the conspiracy with the supreme court.to defend myself i need the \$1,000,000 fraudulently induced with three as of contempt and other threats to numerous to mention.lastly the [REDACTED]

[REDACTED] as a witness to harm me.This is not a search for the truth just another stone in my sack to drown me.

e m daspin pro see.

cancel any and all responses meetings depositions until im well and after i seek a tro as the commission and judge murray want to wait me out and deny me my litigation rights as judge Murray promised an answers in her scheduling order request; which turned out to one sided schedule that i cant keep up with [REDACTED]

[REDACTED] as new judge not involved in is prior fix as the U S Supreme court refrained from characterizing it for what it was a defendant fix against commissioner. enforcement as if true SEE Judge Muray's humiliation of former adjl ,lilian McEwen; when Judge Murray demanded more guilt verdicts against all in rhouse defendants.That the judge appointing herself in violtion of the spirit and intentions of a fresh start for the defendants who quit they voided 150 ' and myself..But they did not deal with the compensatory damages the defendants incurred as a result of the concealment,fraud inducement using fraud nor did they yet rule on wether a judge that willfully violated the constitution as should be found of sane and honest mind to rule if appointed under article 2 ! did they give ioan the door for the agency to permit its officers to lie cheet conceal and disguise all the illegal acts that make us seperate from all other nations.Great justice. Thats' 5,000 persons in 8 years that were defrauded and just because they faied to look under the heavy covers they are not permitted to get a straight deal.

judge Murray collusion and conspiracy to defend,conceal the facts tht they were all inferior judges and that judge murrays' attempt to deny me justice and to fix my case by assignin enough judges to fouwl me wont work.under her responsibility,nose and under her violation of the laws of the constitution is but one more reason that

defendants deserve more of it; the government wont work unless we are recompensed.,her attempt to threaten content wont work,her 2.5 month hearing for an 80 year old self confe a man wont work as the delays are legitimate and her hearing has never begun she has conflicts of interest as she concealed the article 2 violations of herself and the other 5 do the res tof the adjls she is mean spirited threatening [REDACTED] sh be deposed and mc grath did worse he quit event the next day by a subpeona she cant come to.Knowing her malady but trying to appear doubtful when ,i asked him to visit call to confirm he refused..send your doctor and ask him to conceal his questions and bring a tape recorder once i arrange for a lawyer to be present.

Dont bother and or inconveince an witness as ive told i am waiting for my motions of 3 months ago to be answered ie; recuse judge murray conflict of interet,financial expenses rieif reifim found in innocene,she also vioated my rights by appointing 2 adjls and now herself which is a violation of the intentions in the Supreme court order for a fresh start;all other adjls have the same conflicts as each his and concealed the facts that they were inferior officers and so could not rule i impartially,they except judge feolak will be defendants in a federal court once my litigation fund is returned once my theft of time is compensatory returned,once a federal district court is exclusive mandated by the EC rues fril tro applicants,once the Sec outlaws dodd frank and the horse it road in on..Read my motion nd respond in the interum as im being irreperably harmed. i cant walk up right,i cant think long enough to represent myself and or defend myself visa visa my submissions cant be read.

read as pro See
edward m Daspin pro see

mike

On Tue, Dec 18, 2018 at 01:36 PM, Michael Shapanka wrote:

Mike:

Here is a Word copy of either the Complaint for 2015 or a working copy when I was getting close to complete on it.

Michael Shapanka

MICHAEL SHAPANKA, ESQ., P.C.

ATTORNEY AT LAW

[REDACTED]

[REDACTED]

[REDACTED]

FAX [REDACTED]

Email [REDACTED]

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED , CONFIDENTIAL AND/OR EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF YOU ARE NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY USE, DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE TO ARRANGE FOR RETURN OF THIS DOCUMENT TO MICHAEL SHAPAN KA, ESQ. [REDACTED]

Exhibit V

Kolodny, Nathaniel

From: edwardDaspin [REDACTED]
Sent: Thursday, December 20, 2018 12:59 PM
To: Kolodny, Nathaniel; [REDACTED]; Shields, Kathy Moore
Cc: ALJ; McGrath, Kevin; O'Connell, Barry
Subject: RE: Matter of Edward Daspin, AP File No. 3-1650formr feildsand the 3 commissionersandjudgemrray

Dear nick;

[REDACTED] as i was working on a response for your submission I did not read any of it except the part that you would not pay the costs of the litigation funds spent at your and judge Grimes demand under contempt penalty coercion and judge Murrays prodding you mean mc grath, kazon ,kolodny and oconnell [unless you send this email to our President and let him know the reason that Mc Grath did want to breach up a deal that stopped the bleeding of america so it could mend.

President Trump knows a deal broken is not worth the lunch of eggs and tuna bagles promised by each of us when the conclusion was misplaced trust in the tenor spirit and the heart of 2 men settling their differences after 4 years.I bet my friend he would live up to it MUch to my dismay i lost and with it the reputation of mc Grath.i hope that the President learned and asks me to represent his us Fire meuller before the new year !please.

Mueller Respectfully

E M Daspin pro see-

On Wed, Dec 12, 2018 at 12:36 PM, Kolodny, Nathaniel wrote:

Attached please find courtesy copies of the Division of Enforcement's December 12, 2018 filing.

Respectfully submitted,

Nathaniel I. Kolodny | Senior Counsel

U.S. Securities and Exchange Commission

212-336-5104 | KolodnyN@sec.gov

Exhibit W

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 3683/March 8, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-16509

In the Matter of

EDWARD M. DASPIN, a/k/a “EDWARD (ED) MICHAEL”;
LUIGI AGOSTINI; and
LAWRENCE R. LUX

ORDER FINDING
RESPONDENT EDWARD M.
DASPIN IN DEFAULT

After Respondent Edward M. Daspin failed to appear at a hearing that was scheduled to begin on January 4, 2016, I ordered that a separate hearing be held on February 11, 2016, to address the reason for Daspin’s absence. *See Edward M. Daspin*, Admin. Proc. Rulings Release No. 3481, 2016 SEC LEXIS 72 (ALJ Jan. 8, 2016). Daspin did not appear at the hearing on February 11, and took steps to prevent another witness—his wife—from appearing. *See Edward M. Daspin*, Admin. Proc. Rulings Release No. 3606, 2016 SEC LEXIS 562, at *1 (ALJ Feb. 16, 2016). During the hearing, the Division of Enforcement presented un rebutted evidence that Daspin voluntarily absented himself from the hearing on January 4.

As a result of these events, I ordered Daspin to show cause why he should not be found in default. *See Edward M. Daspin*, 2016 SEC LEXIS 562, at *3. Daspin responded but did not sufficiently address the Division’s evidence that he invented the reason for his absence on January 4, and, in any event, was voluntarily absent from both the January 4 and February 11 hearings. Given the Division’s un rebutted evidence and Daspin’s own admissions, Daspin is in DEFAULT for failing to appear at the hearings on January 4 and February 11, 2016.¹ *See* OIP at 15; 17 C.F.R. § 201.155(a)(1).

¹ Daspin may move to set aside the default in this case. Rule of Practice 155(b) provides that:

A motion to set aside a default shall be made within a reasonable time, state the reasons for the failure to appear or defend, and specify the nature of the proposed defense in the proceeding. In order to prevent injustice and on such conditions as may be appropriate, the hearing officer, at any time prior to the filing of

Background

After the Commission initiated this proceeding, Daspin submitted evidence that he suffers from a serious medical condition. *Edward M. Daspin*, Admin. Proc. Rulings Release No. 2810, 2015 SEC LEXIS 2387, at *1 (ALJ June 15, 2015). Specifically, Daspin's treating physician, Dr. Alan Puzino, M.D., an internist, stated that Daspin "[REDACTED]" while being deposed by the Division of Enforcement and that Daspin's participation in this proceeding would "without question, pose an imminent and unconditional threat to his life." Declaration (May 11, 2015) at 1-4, 10. Based on this evidence, the administrative law judge previously assigned to this proceeding indefinitely postponed the hearing as to Daspin in June 2015. *Edward M. Daspin*, 2015 SEC LEXIS 2387, at *2. In late July 2015, Dr. Puzino "opined that it would take months of consultations to determine an appropriate treatment plan for Daspin and a year before he could say whether Daspin could handle the stress associated with participating in a hearing." *Edward M. Daspin*, Admin. Proc. Rulings Release No. 3263, 2015 SEC LEXIS 4435, at *2 (ALJ Oct. 28, 2015).

This matter was reassigned to me at the end of July, and in August I lifted the postponement, having determined that I lacked the authority to indefinitely continue this matter. *See Edward M. Daspin*, Admin. Proc. Rulings Release No. 3041, 2015 SEC LEXIS 3348, at *3-8 (ALJ Aug. 14, 2015). In late September, Daspin's counsel withdrew. *Edward M. Daspin*, Admin. Proc. Rulings Release No. 3183, 2015 SEC LEXIS 4001, at *3 (ALJ Sept. 30, 2015).

Between September 29 and October 6, 2015, Daspin, or others on his behalf, sent my office dozens of e-mails variously asserting that because he is ill and not sufficiently computer literate, he cannot participate in this proceeding. *See generally Edward M. Daspin*, Admin. Proc. Rulings Release No. 3202, 2015 SEC LEXIS 4103 (ALJ Oct. 6, 2015); *see also* Div. Ex. 6 at 1-4, 9-11, 15, 18, 20, 22.² Daspin submitted additional medical evidence, including evidence from Dr. Puzino. He also submitted a continuing series of requests to postpone the hearing or dismiss the proceeding. *See Edward M. Daspin*, 2015 SEC LEXIS 4435, at *2, 8-10, 12-13; Div. Ex. 6 at 1-3, 9, 20-22.

Among other things, the Division responded to Daspin's requests by submitting a letter from Dr. Stanley J. Schneller, M.D., who has been a professor of cardiology at Columbia University since 1985. Schneller Letter at 1. Dr. Schneller reviewed Daspin's medical history and noted that Daspin repeatedly avoided or delayed a recommended [REDACTED] test, which ultimately revealed normal [REDACTED]. *See id.* at 4-8.

the initial decision, or the Commission, at any time, may for good cause shown set aside a default.

17 C.F.R. § 201.155(b).

² I refer to the Division's exhibits submitted at the hearing on February 11, 2016, as "Div. Ex." The page numbers referenced with respect to these exhibits refer to PDF pages.

Dr. Schneller explained that Daspin's condition is treatable, his risk of harm is low, and he can live a "normal life." Schneller Letter at 11. Dr. Schneller also explained that Dr. Puzino had supplied "misleading statements [and] unfounded opinions and describe[d] a peculiar approach to [Daspin's] complaints that is outside standard medical care." *Id.* at 10; *see id.* at 11-12; *see also Edward M. Daspin*, 2015 SEC LEXIS 4435, at *5. Dr. Schneller added that nothing supported Dr. Puzino's statement that Daspin [REDACTED] [REDACTED] while being deposed by the Division. Schneller Letter at 2, 10. He also offered that there was no medical validity to Dr. Puzino's opinion that Daspin's condition would "preclude [his] participation in [these] proceedings." *Id.* at 11, 12 (describing the opinion as "medically insupportable"); *see id.* at 9.e

Daspin responded with a rebuttal letter purportedly written by Dr. Puzino. Dr. Puzino initially backtracked from his assertion that Daspin [REDACTED] [REDACTED] during his deposition before changing course and again suggesting that he did [REDACTED] [REDACTED]. Rebuttal at 1, 5. He then said that Dr. Schneller's opinion was baseless, because among all doctors, Dr. Puzino—who is not a cardiologist—had "special insight," making him the sole physician qualified to diagnose and treat Daspin. *Id.* at 5-6.³ In later denying Daspin's motions to dismiss or continue, I found Dr. Schneller's opinion convincing and Dr. Puzino's opinion not credible. *Edward M. Daspin*, 2015 SEC LEXIS 4435, at *10 & n.2.

Throughout November, Daspin continued to send e-mails making substantive arguments about the case and asserting that his medical condition would or should prevent his participation in the hearing then scheduled for January 4, 2016. Div. Ex. 6 at 24-25, 27, 36, 38-39, 45, 55, 59, 61, 65. He also began referring to the possibility that he [REDACTED] [REDACTED]. *Id.* at 24, 29, 35, 38-39, 55, 61, 67, 75. That month, he moved to "toll" the hearing date for six months. *Id.* at 37-45, 55, 61-62. I construed this motion as one to reconsider my earlier orders and denied it. *See Edward M. Daspin*, Admin. Proc. Rulings Release No. 3328, 2015 SEC LEXIS 4758, at *1e (ALJ Nov. 18, 2015).e

In December, Daspin filed untimely motions to stay and for summary disposition. I denied these motions because they were baseless. *Edward M. Daspin*, Admin. Proc. Rulings Release No. 3409, 2015 SEC LEXIS 5125 (ALJ Dec. 17, 2015). Throughout this time, Daspin continued to send e-mails claiming to be ill while simultaneously arguing the merits of the allegations and decrying the Division's efforts in pursuing its case against him. Div. Ex. 6 at 95-97, 99-106, 111, 118.e

During a prehearing conference in December, the parties and I discussed the Division's efforts to permit Daspin to appear at the January 4 hearing by video teleconference. *See Prehearing Tr.* at 46-54. Because the parties' efforts were unsuccessful, I directed that the

³ The rebuttal also contained legal arguments, which included references to settlement and a Second Circuit decision, as well as assertions that "this matter should not even be in this court," "the Sec [sic] has bigger fry to go after," and Daspin "will be able to be sued in federal court." Rebuttal at 2, 5. The presentation of the medical claims in the rebuttal, along with its legal assertions and stylistic eccentricities, strongly suggest that the rebuttal was authored, at least in part, by Daspin himself.

hearing would commence as scheduled. *Id.* at 55; see *Edward M. Daspin*, Admin. Proc. Rulings Release No. 3429, 2015 SEC LEXIS 5227 (ALJ Dec. 22, 2015).

Daspin did not appear at the hearing on Monday, January 4, 2016. Tr. 3. Counsel for the Division stated during the hearing that he had been informed that Daspin had been hospitalized the previous Saturday. Tr. 4. I then granted the Division's request to delay the hearing to provide it time to investigate the reason for Daspin's absence. Tr. 5-7.

Within days, the Division submitted evidence that Daspin had been admitted to a hospital as a result of a purported [REDACTED]. See Letter from Kevin P. McGrath (Jan. 7, 2016). According to a report from [REDACTED], Daspin's wife—who is not a party to this proceeding—discovered him [REDACTED]. According to the report, Daspin complained that “if he is going to be tried” he wished to be tried “in Federal court where he can receive a fair trial and equitable representation,” and that he “[REDACTED]” and “would do anything to protect his wife from the current legal situation.”

I held a telephonic conference on January 8, 2016. *Edward M. Daspin*, 2016 SEC LEXIS 72, at *1. During the conference, I scheduled a hearing for February 11, 2016, solely to address the reason for Daspin's absence from the hearing on January 4. *Id.* at *2. Following the conference, I issued an order setting the hearing date and ordering Daspin to “make himself available” by February 3, 2016, “for an in-person medical evaluation by an expert provided by the Division.” *Id.*

Daspin was released from the hospital by January 13, 2016. See Div. Ex. 6 at 127. Between then and February 16, 2016, he sent my office forty e-mails, many of which were abusive and unprofessional. *Edward M. Daspin*, 2016 SEC LEXIS 562, at *1 n.1.⁴ In those e-mails, Daspin resisted attending the hearing on February 11. See Div. Ex. 6 at 129, 131-32, e 136.e

I held a telephonic conference on January 29, 2016, during which Daspin said that he was “not committed to participate in this proceeding because” the Second Circuit had stayed the proceeding as to Respondent Luigi Agostini, and he was likewise entitled to a stay.⁵ Tr. 95,

⁴ Daspin has repeatedly and consistently violated my orders instructing him to stop sending my office argumentative e-mails. *Edward M. Daspin*, 2016 SEC LEXIS 562, at *1 n.1 (citing orders).

⁵ Daspin filed an action in the District of New Jersey, seeking to enjoin this proceeding. See *Daspin v. SEC*, No. 15-cv-8299 (D.N.J. Dec. 30, 2015), ECF No. 15. The court dismissed that action for lack of jurisdiction. *Id.* Meanwhile, Agostini filed an action in the Southern District of New York, which was also dismissed for lack of jurisdiction. *Agostini v. SEC*, No. 15-cv-9595 (S.D.N.Y. Dec. 18, 2015), ECF No. 18. After Agostini appealed, the Second Circuit ordered that “the Securities and Exchange Commission proceedings against [Agostini] are STAYED pending further order of [the] Court.” *Agostini v. SEC*, No. 15-4114 (Jan. 12, 2016), e ECF No. 49.e

101-02. I then attempted to quote the Second Circuit's order for the record, but Daspin interrupted to say that he disagreed with my "interpretation." Tr. 100. I explained that I was not interpreting the order but was instead quoting its literal language. Tr. 100. Daspin apologized and said that because the Second Circuit had stayed the case as to Agostini, he was likewise entitled to a stay. Tr. 100-01. I then explained my concerns with delaying the investigation into Daspin's absence, including "prejudice [to Daspin's] ability to show why [he was] not present." Tr. 101. Daspin again interrupted me, saying that we were straying beyond what Division counsel had told him would be discussed, claimed to be experiencing chest pain, and hung up the phone. Tr. 102.

Meanwhile, the Division attempted to schedule Daspin's interview with its expert at either the Division's office or [REDACTED], but Daspin did not respond to the Division's e-mails. See Letter from Barry O'Connell, Ex. A (Feb. 3, 2016). Consistent with my January 8, 2016 order, the Division then scheduled Daspin to be interviewed by its expert on February 3, 2016. See *id.* Although he had filed no objections to the order directing the interview, Daspin did not appear for the interview. Instead, he sent an e-mail on the morning of February 3 saying that he was ill. *Id.*, Ex. B.

On February 9, 2016, Daspin submitted a motion on behalf of his wife to quash a subpoena I issued requiring her to appear and testify at the February 11 hearing. On February 10, I denied the motion. *Edward M. Daspin*, Admin. Proc. Rulings Release No. 3594, 2016 SEC LEXIS 496. That night, Daspin sent an e-mail informing my office and the Division that he had taken affirmative steps to prevent his wife from testifying. Div. Ex. 12 at 1; see *Edward M. Daspin*, 2016 SEC LEXIS 562, at *1. Neither Daspin nor his wife appeared at the hearing on February 11, 2016. Tr. 16-17.

During the hearing on February 11, the Division called Dr. Harold J. Bursztajn, M.D., to testify. The Division also offered, and I admitted, Dr. Bursztajn's expert report into evidence along with a number of other exhibits. Tr. 14, 28-29; see Div. Ex. 1. Dr. Bursztajn has practiced clinical and forensic neuropsychiatry since 1982. Tr. 18. He explained that it is "quite common" for a professional in his field to opine about whether a person has made a "[REDACTED]" for "manipulation" or as a genuine [REDACTED]. Tr. 21.

Dr. Bursztajn reviewed various items, including Daspin's medical records, his e-mails, and certain legal records. Tr. 22-28; Div. Exs. 2-7. He explained that the determination of whether [REDACTED] is genuine is evaluated based on [REDACTED]. Div. Ex. 1A; see Tr. 32. Daspin [REDACTED]. Tr. 35-40. In particular, Dr. Bursztajn stated that there was a "very low likelihood" that Daspin [REDACTED]. Tr. 36-38. According to Dr. Bursztajn, if the [REDACTED], "there's a higher likelihood that [REDACTED] was manipulative." Tr.

Dr. Bursztajn concluded that Daspin's purported [REDACTED] was consistent with a "staged [REDACTED]" noting that while [REDACTED], Daspin said that one of his goals was to [REDACTED]. Tr. 39-40, 64; see Div. Ex. 8 at 56; see also Ex. 2 at 647-48 (noting that he asked a clinician in November to provide him with a letter saying that hee "can't do any of this until you cure me"). He then explained that Daspin's behavior was designed to manipulate this proceeding in order to obtain a narcissistic benefit. Tr. 40-41; Div. Ex. 1 at 2. Dr. Bursztajn opined that Daspin engages in a "pattern of grandiosity" that involves humiliating others and portraying himself as a hero. Tr. 41-42. e

Relevant to the determination that Daspin likely staged [REDACTED], Dr. Bursztajn noted several facts. First, although Daspin has [REDACTED], there is no evidence that a clinician—or Daspin's wife—directed that [REDACTED], whereas such a precaution would be typical for [REDACTED]. Tr. 49; Div. Ex. 1 at 14-15. Second, he was allowed to discharge himself and continue treatment on an out-patient basis, something that would not have occurred if [REDACTED]. Tr. 51, 53. Third, Daspin was prescribed medication that is inconsistent with what would be prescribed to someone who genuinely [REDACTED]. Tr. 52-53. Fourth, Daspin's post-hospitalization treatment plan "was quite loose" because it "did not involve any very close monitoring or supervision," indicating that "[REDACTED] [REDACTED]." Tr. 54.

Dr. Bursztajn was also struck by the notes of Daspin's treating clinicians. See Tr. 54-57, 60-62. He explained that a treating clinician must take a patient's "suffering impulse at face value" and try "[t]o create a therapeutic alliance." Tr. 54. Dr. Bursztajn was thus surprised to see that two of Daspin's treating clinicians raised the possibility that Daspin "was manipulating them . . . for the purpose of creating a record to derail legal proceedings."⁶ Tr. 55; see Ex. 2 at 55, 479, 648. e

Based on his review of the available evidence, Dr. Bursztajn opined that Daspin's "[REDACTED]" was "consistent with a life-long pattern of manipulation and conning people in order to be able to avoid the foreseeable consequences of his actions." Tr. 65. He concluded that there is no medical reason Daspin cannot participate in this proceeding. Tr. 65.

The Division called no other witnesses at the hearing on February 11. Because he failed to appear, Daspin presented no evidence.

Because he failed to appear at the hearings on January 4 and February 11, I ordered Daspin to show cause why this proceeding should not be determined against him. *Edward M. Daspin*, 2016 SEC LEXIS 562, at *3. Daspin filed an answer to the order to show cause on February 26, 2016. In his answer, he alternates between attempting to refute the Division's case

⁶ Dr. Bursztajn also remarked that his review of the available medical evidence led him to believe that Dr. Puzino was not objective and was "basically taking [Daspin's] reports and . . . desires as . . . his . . . overriding mandate." Tr. 58-59. He noted that in December, Daspin visited a cardiologist who agreed with Dr. Schneller and not Dr. Puzino. Tr. 58-59.

on the merits, attacking this proceeding, and claiming that his [REDACTED] was genuine. As to the February 11 hearing, Daspin asserts that he could not appear because [REDACTED] and because the Second Circuit stayed the Commission from proceeding against Agostini. Answer at 8-9, 14. He also makes reference to medical evidence, *id.* at 2-4, 6, 8-14, and his wife's [REDACTED], *id.* at 11.

Discussion

Under the Commission's Rules of Practice, if a party is notified about a hearing but fails to appear, the party may be found in default and an administrative law judge may determine the proceedings against the party based on the record and the allegations in the OIP. 17 C.F.R. § 201.155(a)(1). In light of Rule 155, the predicate question here is whether Daspin was voluntarily absent from either hearing. In a criminal case, a defendant who intentionally fails to appear acts voluntarily and waives his right to be present.⁷ See *United States v. Yamai*, 791 F.3d 226, 239 (2d Cir. 2015), *pet. for cert filed*, No. 15-8278 (U.S. Feb. 19, 2016); *United States v. St. James*, 415 F.3d 800, 804-05 (8th Cir. 2005). “[O]rdinarily,” a district court, when addressing an absence “at a critical stage” of a criminal proceeding, “must conduct an inquiry on the record to determine whether the defendant has a sound excuse for his absence.” *Yamai*, 791 F.3d at 240; see *United States v. Achbani*, 507 F.3d 598, 601-02 (7th Cir. 2007); *St. James*, 415 F.3d at 803-04.

In this case, the Division presented Dr. Bursztajn's testimony and report. Dr. Bursztajn was convincing and credible and Daspin presented no evidence to rebut Dr. Bursztajn's testimony. I find that the Division has shown that Daspin was voluntarily absent from the hearing on January 4, 2016. Specifically, I find that he staged a [REDACTED] in order to avoid the hearing and manipulate this proceeding.⁸

As Dr. Bursztajn explained with reference to the [REDACTED], every indicator suggests that Daspin's purported [REDACTED] was not genuine. See Tr. 32-40; Div. Ex. 1A. Critically, even Daspin's treating clinicians expressed doubts about Daspin's

⁷ This is not a criminal matter. If, however, a given procedure is sufficient to protect the rights of a criminal accused, the procedure is necessarily sufficient to protect the rights of a respondent in administrative proceedings. See *United States v. Lopez*, 445 F.3d 90, 99 (2d Cir. 2006) (noting that administrative procedures “do[] not carry all of the protections of a criminal proceeding”).

⁸ Daspin was the subject of a lawful subpoena to testify. It was therefore his burden to show that his absence from the hearing on January 4, 2016, was involuntary. See *Meacham v. Knolls Atomic Power Lab.*, 554 U.S. 84, 91 (2008) (noting the principle that a party seeking to benefit from an exception bears the burden to show entitlement to it). Because he failed to appear and present evidence on February 11, 2016, he necessarily failed to carry his burden. Even if the burden were on the Division, however, the result would be the same. It presented convincing evidence which went un rebutted.

motivation. As Dr. Bursztajn explained, the fact that the clinicians expressed these doubts in writing is telling.

That Daspin's purported [REDACTED] was not genuine is further supported by the fact that Daspin previously presented tenuous medical evidence that his [REDACTED] condition prevented him from being able to participate. Dr. Schneller refuted this evidence. Together with Daspin's purported [REDACTED], the evidence of Daspin's allegedly serious [REDACTED] condition reflects a pattern of attempts to manipulate this proceeding in order to avoid a hearing.

Additionally, Daspin failed to appear at the hearing on February 11, despite being informed that the hearing would be his opportunity to explain why he was absent on January 4. *See Edward M. Daspin*, Admin. Proc. Rulings Release No. 3564, 2016 SEC LEXIS 332, *3 (ALJ Feb. 1, 2016). Daspin also failed to make himself available for an examination by Dr. Bursztajn and took affirmative steps to prevent his wife from appearing at the February 11 hearing even though she was subpoenaed. These latter actions reflect Daspin's consciousness of liability.⁹

In answering the order to show cause, Daspin claims that his [REDACTED] was genuine. But Dr. Bursztajn's testimony refutes that assertion. Moreover, even if Daspin had genuinely [REDACTED], he does not deny that [REDACTED]. And if he [REDACTED], he was voluntarily absent from the hearing. [REDACTED]

Daspin also claims his wife is [REDACTED] and thus apparently able to determine [REDACTED]. Answer at 11. But Daspin prevented her from testifying on February 11. At this point, her competence is not relevant. And Daspin's reference to his medical evidence misses the point. He had an opportunity to present his side of the story on February 11 but voluntarily chose not to attend the hearing.

The record establishes that Daspin has twice tried to use alleged medical issues to avoid a hearing. While this sort of medical evidence was credited once, nothing requires me to credit it now, especially after the evidence has twice been refuted. The Due Process Clause entitles Daspin to an unbiased adjudicator, not a gullible one. *Cf. In re J.P. Linahan, Inc.*, 138 F.2d 650, 654 (2d Cir. 1943) ("Impartiality is not gullibility. Disinterestedness does not mean child-like innocence. If the judge did not form judgments of the actors in those court-house dramas called trials, he could never render decisions.").

⁹ Daspin cast his action as protecting his wife from danger. *See* Div. Ex. 12 at 1 ("I am a very sick man but am willing to die trying to protect her [REDACTED]"). Dr. Bursztajn's description of Daspin's grandiosity, however, strongly suggests that Daspin was not motivated by any danger faced by his wife, but rather the danger to him if she were to testify. *See* Tr. 42-43, 45-46.e

And as to the February 11 hearing, Daspin asserts that he could not attend because he had [REDACTED] and the Second Circuit stayed the Commission from proceeding against Agostini. Answer at 8-9, 14. Given that Daspin was notified of the hearing well in advance and was required to attend, the former assertion is not a reason for missing the hearing. And the latter reason is meritless because, as I have explained to Daspin, the Second Circuit's order did not apply to him. *See Edward M. Daspin*, 2016 SEC LEXIS 332, at *2. Indeed, that court has rejected Daspin's own stay request. *See SEC v. Daspin*, No. 13-4622 (2d Cir. Feb. 23, 2016), ECF No. 83. Daspin has thus failed to show cause why he did not attend two hearings.

In light of these findings, I determine that, despite being informed of the hearing on January 4, 2016, Daspin voluntarily failed to appear for that hearing. I reach the same conclusion regarding the hearing on February 11, 2016. Daspin is therefore in default.¹⁰ Under Rule 155(a)(1), I deem as true the allegations in the OIP, insofar as those allegations relate to Daspin.¹¹ 17 C.F.R. § 201.155(a)(1).

The Division had asked that I stay this matter as to Daspin pending a decision from the Second Circuit in Agostini's appeal. Since then, however, the Second Circuit has rejected Daspin's attempts to ride Agostini's coattails. *See SEC v. Daspin*, No. 13-4622, ECF No. 83. Because this matter as it relates to Daspin could efficiently be resolved through a motion for sanctions, the Division should advise my office by letter filed within five business days whether it continues to believe that this proceeding should be stayed as to Daspin. If the Division is still of that belief, it should advise how it foresees the presentation of witnesses and evidence occurring at a hearing in light of Daspin's default.

James E. Grimes
Administrative Law Judge

¹⁰ Because Daspin has failed to carry his burden to show cause, the Division's opposition to Daspin's response to the show cause order is moot.

¹¹ The findings of this order do not apply as to Agostini, nor are any allegations in the OIP deemed true as to him.

Exhibit X

Matter of Daspin, AP File No. 3-16509

Admin_proceeding_20181114

11/14/2018 10:34 AM

Full-size Transcript

1 THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2

3 In the Matter of:)

4)

5 EDWARD M. DASPIN)

6 a/k/a "EDWARD (ED))

7 MICHAEL"; and) File No. 3-16509

8 LUIGI AGOSTINI; and)

9 LAWRENCE R. LUX)

10

11 ADMINISTRATIVE PROCEEDINGS - PRE-HEARING CONFERENCE

12

13 PAGES: 1 through 54

14 PLACE: 200 Vesey Street

15 New York, New York 10281

16 DATE: Wednesday, November 14, 2018

17

18 The above-entitled matter came on for hearing,

19 pursuant to notice, at 10:34 a.m.

20

21 BEFORE (via telephone):

22 BRENDA MURRAY, Administrative Law Judge

23

24 Diversified Reporting Services, Inc.

25 (202)467-9200

1 APPEARANCES:

2
3 On behalf of the Securities And Exchange Commission

4 KEVIN MCGRATH, ESQ.

5 BARRY O'CONNELL, ESQ.

6 NATHANIEL KOLODNY, ESQ.

7 200 Vesey Street, Suite 400

8 New York, New York 10281

9 (212)336-1100

10
11 On behalf of the Witness:

12 Edward Daspin, PRO SE

1 Can you tell me, are you sticking by your
2 answer, or do you want to amend the answer that
3 you filed?

4 MR. DASPIN: I want to amend the answer, and
5 I want to appeal your representation -- your
6 interpretation of what the Commission meant. I
7 know what their words state, but I believe that
8 they would want to start it at the root, which
9 would, in fact, save the government a million
10 dollars.

11 JUDGE MURRAY: Okay. But --

12 MR. DASPIN: Because that's --
13 to spend again --

14 JUDGE MURRAY: We see the root in a
15 different context, I guess. I'm trying to start
16 this proceeding from the beginning. And the
17 beginning is the answer to the order instituting
18 proceedings.

19 Now, if you want to amend the
20 answer, the one your lawyers filed back in 2015
21 with 25 pages -- if you want to amend that, I'll
22 give you two weeks, and you can amend --

23 MR. DASPIN: No, I've got to --
24 Judge, I can't write ten pages in two weeks.

25 And I just got the documents. And

1 I thank Enforcement for sending the second
2 set to me, [REDACTED]

3 [REDACTED] I
4 just got it.

5 And I am not a lawyer. It will take me at
6 least 45 days to do the right thing, if I can.
7 And if my motions to obtain a law firm and get
8 paid from the Commission's for the fraudulent
9 inducement they led me to believe was valid when
10 it wasn't -- I'll try, but I'll never make it in
11 two weeks.

12 What are you going to do if I don't, Judge?

13 JUDGE MURRAY: Well --

14 MR. DASPIN: You're going to default me --

15 JUDGE MURRAY: No.

16 MR. DASPIN: -- then default me now.

17 JUDGE MURRAY: I don't think you should
18 blame your wife. Let's get that straight. I
19 don't think you should blame --

20 MR. DASPIN: I'm not blaming my wife. [REDACTED]

21 [REDACTED]. What do you mean, blame my wife?

22 JUDGE MURRAY: Okay. Okay. Where are we --

23 MR. DASPIN: What do you mean, blame my
24 wife? I didn't blame my wife.

25 JUDGE MURRAY: Where are we --

1 MR. DASPIN: I don't get that, Your Honor.

2 (Simultaneous speakers.)

3 JUDGE MURRAY: -- with the answer?

4 Where are we with the answer? Do you want
5 to read what the lawyer --

6 MR. DASPIN: I said, the answer --

7 I said I will take the right to
8 contravene the complaint, but it's going to take
9 me longer than what you said you're going to give
10 me.

11 And I'm asking you now, if it takes longer,
12 are you going to default me? And if you say yes,
13 you might as well default me now, because I'll
14 never make it in two weeks, period. So it's up
15 to you.

16 Whatever you want to do, Judge, is the
17 -- is the law. So what do you want to do?

18 JUDGE MURRAY: All I want to do --

19 MR. DASPIN: Do you want to let me -- do you
20 want to let me re-answer the right way, or do you
21 want me to have two weeks, when I'll get five
22 pages done?

23 I got two -- 2300 exhibits here,
24 Your Honor, that Enforcement just sent to me.
25 2300 separate pages, all Bates-stamped.

1 Now, if you think a man that's 80 years old,
2 that's not a lawyer, can go through that, and go
3 through an OIP, and make answers to every one of
4 those, and attach exhibits, I got to tell you,
5 Judge, I'm not the right guy for you, because I'll
6 never do it. And I know what I can do. If I --
7 It's up to you.

8 JUDGE MURRAY: Well, we'll set a schedule, and
9 we'll try to make it as reasonable as we can.
10 And you can put forth your best effort, and then
11 we'll decide the case. Okay?

12 MR. DASPIN: All right. That's fine with
13 me.

14 JUDGE MURRAY: Okay.

15 MR. DASPIN: That's cool.

16 JUDGE MURRAY: Okay. So we've decided now --
17 now you correct me if I'm wrong, but in this
18 record, there's a new record that I'm
19 establishing for the disposition of these
20 allegations.

21 We're going to have your answer
22 that was filed in 2015, and we're going to have
23 any amendments that you decide to make to that
24 answer. Okay? And you're going to try to submit
25 them in two weeks.

1 You know, the answer, it might be perfectly
2 okay. I mean, it was filed by attorneys for you,
3 so we've got that in the record.

4 Okay. Now --

5 MR. DASPIN: Wait a second, Judge. You
6 asked me a question: Do we agree? We agree,
7 with a caveat.

8 Number one, I've informed this Court, I
9 I told the Court, that I will never make
10 it in two weeks. I've asked this Court
11 if it's going to default me. The Court has
12 not answered that question.

13 JUDGE MURRAY: I am not going to default you --

14 MR. DASPIN: Thank you, Judge. I appreciate
15 that. I appreciate that.

16 JUDGE MURRAY: -- for not filing an answer
17 in two weeks.

18 MR. DASPIN: I'd appreciate that, Judge.

19 I also want the Court to know that I'm going
20 to file a motion with the Commission, and copy the
21 Department of Enforcement, requesting that we
22 start it today because that's my impression of
23 the Supreme Court's order. A fresh start means
24 start from scratch, not a record that was
25 fraudulently created by Enforcement not

1 this is the second go-around on this case.

2 MR. DASPIN: Wait a minute, Judge. You're
3 not supposed to use the past. It's a fresh
4 start.

5 You're going back to the past. That's
6 not fair. It's not consistent with the Supreme
7 Court Lucia decision. I'm not going to
8 go through the past. If you want to have a
9 hearing in January, forget it. Default me. I
10 can't do it.

11 JUDGE MURRAY: What --

12 MR. DASPIN: There's no way I can defend
13 myself.

14 JUDGE MURRAY: Can you make a hearing the first
15 of February?

16 MR. DASPIN: I cannot do it.

17 JUDGE MURRAY: What about February?

18 MR. DASPIN: I can't do it.

19 JUDGE MURRAY: March? March?

20 MR. DASPIN: No. I'm not going to agree to
21 that. I want the year that I'm supposed to get
22 with a fresh start.

23 And don't tell me this stuff
24 about it's been from 2015, because that's a long
25 time and I've have had certain debilitating

Exhibit Y

ENTIRE EXHIBIT REDACTED

Exhibit Z

ENTIRE EXHIBIT REDACTED

Exhibit AA

ENTIRE EXHIBIT REDACTED