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UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-17210

-----X

In the Matter of,

PAUL LEON WHITE II

PETITION FOR REVIEW
OF THE INITIAL DECISION

-----X

Dated: January 25, 2017
Dannemora, NY

Respectfully submitted,


Paul Leon White II, 

Respondent, Pro Se



P.O. Box 

Dannemora, NY 

**HEARING OFFICER'S DEFAULT JUDGMENT IS A PREJUDICIAL ERROR
IN THE CONDUCT OF THE ADMINISTRATIVE PROCEEDING
DUE TO THE FACT THAT RESPONDENT WAS DENIED
CONSTITUTIONAL RIGHTS OF DUE PROCESS AND EQUAL PROTECTION**

In ALJ GRIMES' Order Finding Respondent in Default ("DEFAULT JUDGMENT"), he erroneously states:

"He [Respondent] could have answered the OIP but has intentionally failed to do so"
(see Page 1, paragraph 1, line 3 in DEFAULT JUDGMENT)

In fact, Respondent was constructively prevented from adequately Answering the OIP, for the following reasons:

1. Respondent is an unjustly convicted indigent prisoner, incarcerated at Clinton Correctional Facility - Annex ("CCF"). Commencing on or about February 7, 2016, CCF denied providing Respondent with sufficient quantities of plain white paper, in violation of Federal Law, established by the United States Supreme Court in *Bounds v. Smith*, 430 U.S. 817, 97 S.Ct. 1491 (U.S.S.C. [NC] 1977), and its progeny. In *Bounds*, Honorable Supreme Court Justice Mr. Marshall wrote the unanimous opinion of the Court holding:

"It is indisputable that indigent inmates must be provided at state expense with paper and pen to draft legal documents with notarial services to authenticate them, and with stamps to mail them."

In addition, New York State Department of Corrections and Community Services ("DOCCS") issued Directive #4483 which states:

"III POLICY

H. The facility [CCF] shall provide reasonable quantities of plain white paper ... to inmates requesting same for preparation of legal papers."

"The Law Library Supervisor will ensure that adequate quantities of these [white paper etc.] are ordered for distribution. The Law Library Supervisor will ensure that such orders are promptly filled."

Commencing in February, 2016 through December, 2016, Respondent filed approximately six(6) formal Inmate Grievances as well as wrote numerous letters to the CCF Superintendent and Deputy Superintendent, requesting sufficient quantities of plain white paper to prepare legal documents to Answer the OIP, but was denied same until about December 20, 2016. In addition, Respondent's time in the prison Law Library was severely limited. Only one(1) hour per week is mandated by DOCCS Rules and Regulations.

Commencing in May 2016, through October 2016, Respondent submitted a plethora of Motions for Extension of Time to Answer OIP, due to the afore-described facts. Therefore, Respondent was constructively prevented from timely Answering the OIP.

However, on October 4, 2016, Respondent submitted Partial Answer to OIP, Pursuant to Rule 220(a),(b) and Motion for Extension of Time, Pursuant to Rule 121 to File Complete Answer. Plaintiff never responded to same, thereby conceding to the facts and information contained therein. ALJ GRIMES failed to issue a proper ruling adjudicating the case at bar on the merits and facts presented on same, but circumvented the judicial process by

summarily holding Respondent in Default for not Answering the OIP, thereby, denying Respondent his Federally and New York Constitutional rights of Due Process and Equal Protection, being a prisoner denied "access to the courts", namely timely Answering the OIP, based upon the afore-described facts. Therefore, Respondent was irreparably prejudiced by ALJ GRIMES errors committed in the conduct of the Administrative Proceeding.

2. ALJ GRIMES constructively prevented Respondent from adequately preparing an effective Answer to the OIP and submitting it timely, due to the fact, that ALJ GRIMES failed to execute Respondent's Subpoenas Duces Tecum ("SUBPOENAS"), that respondent submitted with Supporting Affirmation, in compliance of Rule 232 as well as ALJ GRIMES did not compel Plaintiff to comply with Respondent's Discovery Demands nor did ALJ GRIMES request Plaintiff to state the specific reason(s), regarding its refusal to provide relevant information as requested by Respondent, based on alleged "privileged information" or compelling Plaintiff to provide Respondent with the relevant information requested, such that he could adequately prepare an effective Answer to the OIP. Hence, Respondent was irreparably prejudiced by ALJ GRIMES errors committed in the conduct of the Administrative Proceeding.

3. On or about May 15, 2016, Respondent submitted several Motions: Motion for an Order Granting In Forma Pauperis Status; Motion for More Definitive Statement; and Freedom of Information Act request to have access to certain relevant exonerating information acquired by Plaintiff, during its investigation of Respondent, which Respondent intended to utilize in his defense and Answer to the OIP. On May 26, 2016, ALJ GRIMES denied all of Respondent's Motions, creating a prejudicial error by his improper exercise of discretion, violating Respondent's Federal and New York Constitutional right of Due Process, by preventing him from obtaining relevant exonerating evidence during Discovery.

4. Commencing May 18, 2016 through May 31, 2016, Respondent submitted a letter dated May 18, 2016, informing ALJ GRIMES, that Respondent was being constructively prevented from timely Answering the OIP, due to the afore-described constructive prevention, prohibiting Respondent from doing same. Respondent also filed a second Motion for More Definitive Statement to enable him to adequately prepare an effective Answer to the OIP as well as submitted nine(9) Judicial Subpoenas Duces Tecum ("SUBPOENAS") with an Affirmation in Support, in compliance to Rule 232. On June 6, 2016, ALJ GRIMES again denied Respondent's Second Motion for More Definitive Statement and failed to execute Respondent's SUBPOENAS, thereby, further constructively preventing Respondent from adequately preparing an effective Answer to the OIP. Hence ALJ GRIMES committed a prejudicial error by improper exercise of discretion.

5. On June 6, 2016, Respondent submitted another Motion for Extension of Time, grounded upon the afore-described facts, that Respondent is being constructively prevented from adequately preparing and effective Answer to the OIP, grounded upon the fact that Respondent was denied sufficient quantities of plain white paper and frequent access to the prison law library as well as Plaintiff has refused to provide Respondent with the requested relevant exonerating material as requested. Furthermore, ALJ GRIMES continued to refuse to execute the SUBPOENAS. Respondent also submitted a Motion for Pre-Hearing Submission Pursuant to Rule 222. Once again, Respondent submitted a Motion seeking various exonerating documents, which ALJ GRIMES denied, thereby, violating Respondent's Due Process and Equal Protection Federal and New York Constitutional rights, committing prejudicial error by improper exercise of discretion.

6. After ALJ GRIMES denied Respondent's numerous Motions and requests to be provided relevant exonerating evidence for the purpose of adequately preparing an effective Answer to the OIP, ALJ GRIMES improperly issued an Order to Show Cause, based upon an erroneous conclusion of law that ALJ GRIMES was authorized to do so under Title 17 of the Code of Federal Rules, demanding Respondent to file an Answer to the OIP, thereby, committing prejudicial error by improper exercise of discretion.

7. On July 5, 2016, Respondent submitted another Motion for Extension of Time to file an Answer to the OIP, due to the fact, that ALJ GRIMES recently served Respondent with the OSC, requiring Respondent's immediate response thereto. Hence, from the time the Administrative proceeding was commenced in April 2016, both the Plaintiff and ALJ GRIMES submitted Motions and an Order to Show Cause, requiring Respondent's immediate attention thereto, to avoid an adverse judicial decision issued thereon, as a result of Respondent's lack of opposition thereto. Therefore, Respondent was also constructively prevented from submitting a timely Answer to the OIP, due to the fact, that Respondent was forced to utilize the limited amount of plain white paper, provided by CCF, to submit discovery Motions, SUBPOENAS and responses to the Plaintiff's and ALJ GRIMES' Order to Show Cause, which in turn constructively prevented Respondent from utilizing the extremely limited amount of plain white paper and prison law library time to devote to timely Answering the OIP.

**ADMINISTRATIVE LAW JUDGE'S DECISION TO HOLD RESPONDENT IN DEFAULT
A CONCLUSION OF MATERIAL FACT, THAT IS CLEARLY ERRONEOUS
CONSTITUTES A COMMISSION OF A PREJUDICIAL ERROR
IN THE CONDUCT OF THE ADMINISTRATIVE PROCEEDING
DUE TO THE FACT, THAT MERITORIOUS DEFENSES
BASED UPON INDISPUTABLE FACTS, WERE NEVER ADJUDICATED
AND THEREBY, RESPONDENT WAS DENIED HIS FEDERAL AND NEW YORK
CONSTITUTIONAL RIGHTS OF DUE PROCESS AND EQUAL PROTECTION**

ALJ GRIMES circumvented Respondent's Due Process right by failing to address the following defenses, which were submitted by Respondent in his Motion for Disqualification and Withdrawal of the Hearing Officer, Pursuant to Rule 112, that was submitted on August 3, 2016 ("DISQUALIFICATION MOTION") and Respondent's Partial Answer to OIP, pursuant to Rule 220(a),(b), that was submitted on October 4, 2016 ("PARTIAL ANSWER"). The following are the affirmative defenses that Respondent presented in the afore-described pleadings:

1. Administrative Law Judge ("ALJ") must disqualify himself, pursuant to violation of the Appointments Clause in the Second Amendment of the Constitution of the United States of America. Recently, the United States Court of Appeals for the Tenth Circuit held, in the case, *Bandinere v. U.S. Securities and Exchange Commission*, 15-9586, that SEC ALJ appointments violate the Second Amendment of the Federal Constitution. The 10th Circuit's decision supports the previous Federal Court decisions that Administrative Law Judges are "inferior Officers", which can only be appointed by the President of the United States (see. *Freytag v. C.I.R.*, 501 U.S. 868, 971 (U.S.S.C. [DC] 1991); *Duka v. U.S. S.E.C.*, 103 F.Supp.3d 382 (U.S.D.C. [NY] S.D. 2015); *Duka v. U.S. S.E.C.*, 124 F.Supp.3d 287 (U.S.D.C. [NY] S.D. 2015); *Hill v. SEC*, No. 115-CV-1801 (U.S.D.C. [GA] N.D. 2015); *Gray Financial v. SEC*, 2015 WL 10579873 (U.S.D.C. [GA] N.D. 2015); *Kent Barnett, Resolving the ALJ Quandry*, 66 *Vand.L.Rev.* 797, 812 (2013); *Free Enterprise*, 561

U.S. 477, 540, 130 S.Ct. 3138; *Butz v. Economou*, 438 U.S. 478, 513, 98 S.Ct. 2894, 57 L.Ed.2d 895 (U.S.S.C. 1978); *Edmond v. United States*, 520 U.S. 651, 663, 117 S.Ct. 1573, 137 L.Ed.2d 917 (U.S.S.C. 1997); *Ironridge Global v. SEC*, 2015 WL 7273262 (U.S.D.C. [GA] N.D. 2015); *Buckley v. Valeo*, 424 U.S. 1, 126, 138-139, 96 S.Ct. 612, 46 L.Ed.2d 659 (U.S.S.C. 1976)). For more detailed explanation, please review Respondent's Motion for Disqualification and Withdrawal of the Hearing Officer, pursuant to Rule 112, that Respondent submitted on August 3, 2016.

2. **Administrative Law Judge's Two Levels of Tenure Protection Violate the Federal Constitution's Separation of Powers.** In the event the SEC argues that an ALJ is an "employee", and thereby, does not violate the Appointment's Clause, the scenario violates the Separation of Powers, which is the fundamental building block upon which our forefather Framers of the Constitution, built the United States Democracy, that numerous other countries throughout the world have modeled their own democracy thereupon. Indisputably, the SEC is an Administrative Agency in the Executive Branch of Government. Unquestionably, Congress, acting as the Legislative Branch, created and enacted Title 17 of the Code of Federal Regulations and other Federal Laws, Rules and Regulations, regarding Securities. If the Administrative Law Judge is an "employee" of the SEC, and thus, an employee of the Executive Branch, therefore, no Judicial Branch exists, in an SEC Administrative Proceeding implementing a SEC employee ALJ (see *Freytag v. Commissioner*, 501 U.S. 868, 879-880, 111 S.Ct. 2631, 115 L.Ed.2d 764 (U.S.S.C. [DC] 1991); *Plant v. Spend Thrift Farm*, 514 U.S. 211, 115 S.Ct. 1447, 131 L.Ed.2d 328 (U.S.S.C. [KY] 1995); *Plaut v. U.S.*, 514 U.S. at 218-214, 239, 115 S.Ct. at 1453-1456, 1463); *Bowsher v. Synar*, 478 U.S. 714, 722, 106 S.Ct. 3181, 92 L.Ed.2d 583 (U.S.S.C. [DC] 1986); *Morrison v. Olsen*, 487 U.S. 654, 108 S.Ct. 2597 (U.S.S.C. [DC] 1988); *Myers v. United States*, 272 U.S. 52, 47 S.Ct. 21, 71 L.Ed. 160 (U.S.S.C. [DC] 1926); *Free Enterprise v. Public Company*, 130 S.Ct. 3138, 177 L.Ed.2d 706 (U.S.S.C. [DC] 2010); *Gere Gaskin v. Beler*, 622 N.E.2d 524 (COA

[NY] 1993); *Meyers v. City of McComb*, 943 S.2d 1 (S.C. [MS] 2006); *State ex rel. Stratton v. Roswell Independent Schools*, 111 N.M. 495, 806 P.2d 1085, 666 Bd.Law Rep. 450 (COA [NM] 1991); *Murth v. State*, 233 Ga. 681, 212 S.E.2d 839 (S.C. [GA] 1975); *Hawaii Insurers Council, Lingle*, 120 Haw. 51, 201 P.3d 564 (S.C. [HI] 2008); *Simpson v. West Virginia Office of Ins. Com'r*, 223 W.Va. 495, 687 S.E.2d 1 (COA [VA] 2009); *Local 170 v. Gadola*, 322 Mich. 332, 34 N.W.2d 71 (S.C. [MI] 1948); *State ex rel. State Bldg. Commission v. Bailey*, 151 W.Va. 79, 150 S.E.2d 449 (COA [WV] 1966); *Berkson v. Lepaue*, 245 P.3d 560, 126 Nev.Adv.Op.No. 46 (S.C. [NV] 2010); *Dept. of Transport v. Association of America Railroads*, 135 S.Ct. 1225 (U.S.S.C. [DC] 2015); *Boyd v. U.S.*, 564 U.S. 211, 131 S.Ct. 2355 (U.S.S.C. [PA] 2011); *Washington v. Commissioner of Corrections*, 287 Conn. 792, 950 A.D.2d 1220 (S.C. [CT] 2008); *Elk Horn v. Cheyenne Resources*, 163 S.W.3d 408 (S.C. [KY] 2005); *California Correctional v. State*, 142 Cal.App. 4th 198, 47 Cal.Rptr.3d 717 (COA [CA] 2005); *State v. Baxter*, 686 N.W.2d 846 (COA [MN] 2004); *In re Detention of Salala*, 147 Wash.App. 798, 199 P.3d 413 (COA [WA] 2008); *Bullet Hole v. Dunbar*, 355 N.J.Super. 562, 763 A2d. 295 (N.J.A.D. 2000); *N.L.R.R. v. Noel Canning*, 134 S.Ct. 2550; *Clinton v. City of New York*, 524 U.S. 417, 449-450, 118 S.Ct. 2091, 141 L.Ed.2d 393 (U.S.S.C. [DC] 1998); *Bond v. United States*, 564 U.S. 211, 131 S.Ct. 2355, 180 L.Ed.2d 269 (U.S.S.C. [PA] 2011); *I.N.S. v. Chadha*, 462 U.S. 919, 103 S.Ct. 2764, 77 L.Ed.2d 317 (U.S.S.C. [KY] 1983); *Northern Pipeline Constr. Co. v. Marathon Pipe Line Co.*, 458 U.S. 50, 102 S.Ct. 2858, 73 L.Ed.2d 598 (U.S.S.C. [DC] 1982); *New York v. United Fund*, 130 S.Ct. 3138; *New York v. United States*, 505 U.S. 144, 182, 112 S.Ct. 2408, 120 L.Ed.2d 120 (U.S.S.C. [NY] 1992); *Metropolitan Washington v. Citizens for Abatement*, 501 U.S. 252, 276-277, 111 S.Ct. 2298, 111 S.Ct. 2631, 115 L.Ed.2d 236 (U.S.S.C. [DC] 1991); *Duke Power v. Carolina Environmental*, 438 U.S. 59, 79, 98 S.Ct. 2650, 2633, 57 L.Ed.2d 595 (U.S.S.C. [NC] 1978); *Mistretta v. United States*, 109 S.Ct. 647, 660, 102 L.Ed.2d 714 (U.S.S.C. [MS] 1989); *Samuels, Kramer & Co. v. Commissioner*, 930 F.2d 975, 985 (U.S.C.A. 2nd Cir. [NY] 1991); *Go-Bart Importing v.*

United States, 282 U.S. 344, 352-353, 51 S.Ct. 153, 156-157, 75 L.Ed 374 (U.S.S.C. [NY] 1931; *Burmap v. United States*, 252 U.S. 512, 516-517, 40 S.Ct. 374, 376-377, 64 L.Ed. 692 (U.S.S.C. [DC] 1920); *United States v. Germaine*, 99 U.S. 508, 511-512, 25 L.Ed. 482 (U.S.S.C. [ME] 1879); G.Wood, *The Creation of American Republic 1776-1787*, P. 79 (1969)(Wood); *The Federalist* No. 47, p. 324 (J.Cooke ed. 1961); U.S. Const. Art. 3 §1(1)). For more detailed explanation, please review Respondent's DISQUALIFICATION MOTION.

3. Respondent's Constitutional Claims and Defenses are outside the SEC's Expertise, and thereby, the Administrative Proceeding should be conducted in Federal Court (see *Free Enterprise Fund v. Pub. Co. Accounting Oversight Bd.*, 561 U.S. 477, 491, 130 S.Ct. 3138 (U.S.S.C. 2010); *Johnson v. Robinson*, 415 U.S. 361, 373, 94 S.Ct. 1160, 39 L.Ed.2d 389 (U.S.S.C. 1974); *Thunder Basin Coal Co. v. Reich*, 510 U.S. 200, 207, 212, 114 S.Ct. 771, 127 L.Ed.2d 29 (U.S.S.C. 1994); *Elgin v. Dep't of Treasury*, 132 S.Ct. 2126, 2140, 183 L.Ed.2d 1 (U.S.S.C. 2012); *Duka v. U.S. S.E.C.*, 103 F.Supp.3d 382, 392 (U.S.D.C. [NY] S.D. 2015); *Gray Financial Group v. Securities and Exchange Commission*, 2015 WL 10579873 [GA[N.D. 2015); *Tilton v. S.E.C.*, 2015 WL 4006165 (U.S.D.C. [NY] 2015). For more detailed information, please review Respondent's DISQUALIFICATION MOTION.

**ALJ GRIMES FAILED TO MAKE A JUDICIAL DECISION ON THE MERITS
PERTAINING TO RESPONDENT'S SUBMITTED PARTIAL ANSWER TO OIP
VIOLATING RESPONDENT'S FEDERAL AND NEW YORK
CONSTITUTIONAL RIGHTS OF DUE PROCESS AND EQUAL OPPORTUNITY**

On October 27, 2016, ALJ GRIMES issued an Initial Decision of Default ("DEFAULT DECISION"), without addressing the Respondent's meritorious defenses presented in his PARTIAL ANSWER TO THE OIP, which Respondent submitted on October 4, 2016. The following meritorious defenses were raised by Respondent in his PARTIAL ANSWER, that were never adjudicated thereupon:

1. Plaintiff lacks jurisdiction over Respondent, due to the fact, that Respondent relinquished his Securities Licenses in 2009 as well as the OIP must be dismissed, due to the fact, that Plaintiff is time barred from bringing an action after six(6) years.
2. Plaintiff lacks authority to prosecute Respondent, due to the fact, that Respondent's unjust criminal conviction did not involve securities as well as the conviction was based upon violations of Respondent's Federal and New York Constitutional rights.
3. Plaintiff lacks authority to prosecute the matter, due to the fact, that the real estate transaction, in question, is not a security.
4. The Court should dismiss the Administrative Proceeding, due to the fact, that both the Prosecutor and Claimants/Complaints have "Unclean Hands", having committed both Federal and State crimes of Fraud, Tax Evasion, Perjury and Grand Larceny, grounded upon their failure to amend their Federal and State tax returns and pay the associated Federal and State taxes, penalties and interest, exceeding \$4,000,000, in accord with the CRIMINAL CASE Prosecutor's allegation of "invalid" real estate deeds, that have recently been proven valid, and thereby, Respondent is "actually innocent" of the crimes of which he was unjustly convicted.

5. Plaintiff and Claimants/Complainants are barred from benefiting, grounded upon the Doctrine of "Unclean Hands".

6. Margaret Spillane ("SPILLANE") and Alexander Janghorbani ("JANGHORBANI"), representing Plaintiff, are accessories to Federal and State crimes, committed by the Complainants, in the CRIMINAL CASE, and thereby, Plaintiff is barred from any relief, based upon the Doctrine of "Unclean Hands".

7. Claimants/Complainants in the CRIMINAL CASE "received what they bargained for", and thereby, Plaintiff is not entitled to any relief, such as Respondent's Lifetime Ban from the Securities Industry, based upon Respondent's lack of wrongdoing, and Plaintiff is further barred, by the Doctrine of "Unjust Enrichment".

8. Respondent's Federal and State Due Process rights were violated in the Administrative Proceeding, due to the fact, that both Plaintiff and ALJ GRIMES, knowingly, willfully and intentionally, prohibited Respondent from obtaining relevavant material, which is exonerating, that Respondent demanded, pursuant to his Discovery Demands, pursuant to Rule 230 and Judicial Subpoenas Duces Tecum with Supporting Affirmation why the material requested was relevant to enable Respondent to adequately prepare an effective defense.

Therefore, grounded upon the afore-described facts and information, ALJ GRIMES committed prejudicial errors in the conduct of the Administrative Proceeding.

**ALJ GRIMES HAS A FIDUCIARY OBLIGATION
PURSUANT TO 17 C.F.R. §200.54 and §200.55
TO DETERMINE WHETHER RESPONDENT'S CONVICTION
UPON WHICH THE INITIAL DECISION IS BASED
WAS OBTAINED IN VIOLATION OF
FEDERAL AND NEW YORK CONSTITUTIONS**

Indisputably, Title 17 of the Code of Federal Regulations Sections 200.54 and 200.55, specifically mandates that, ALJ GRIMES, being a "member of this Commission", must "administer the law" by "vigorously enforcing compliance with the [Constitutional] law by all persons affected [Respondent] thereby" and "in the exercise of their [ALJ GRIMES] judicial functions, members shall honestly, fairly and impartially determine the [Constitutional] rights of all persons [Respondent] under the [Securities] law". Upon the Appeal Committee's review of the Respondents PARTIAL ANSWER, it will discover that respondent furnished ALJ GRIMES with detailed facts and information in support of Respondent's defense, that his conviction was indisputably obtained in violation of Respondent's Constitutional rights as well as Respondent provided newly discovered evidence, that no crime was committed, thereby proving, that the Respondent is "actually innocent", and hence, the Plaintiff is not entitled to any relief requested in the Administrative Proceeding. ALJ GRIMES' failure to review Respondent's PARTIAL ANSWER, which described the afore-mentioned Constitutional violations in detail, and ALJ GRIMES' further failure to cite any reasoning to support his denial of each and every defense Respondent presented in his PARTIAL ANSWER, further violated Respondent's Constitutional rights of Due Process and Equal Protection.

Therefore, based upon the afore-described facts and information, ALJ GRIMES committed a plethora of prejudicial errors in the conduct of the Administrative Proceeding.

**ALJ GRIMES COMMITTED IRREPARABLE
PREJUDICIAL ERRORS IN THE PROCEEDING
BY FAILING TO ADDRESS THE FACT THAT
ORDERING THE MOST DRASTIC SANCTION AVAILABLE
RESPONDENT'S LIFETIME BAN FROM SECURITIES INDUSTRY
IS A GRAVE MANIFEST OF INJUSTICE**

Indisputably, there exists a plethora of of Federal case law that the Plaintiff, and the Administrative Law Judge, have a duty to carefully articulate the grounds upon which, it[they] seek the most drastic sanction against Respondent as well as why a lesser sanction would not suffice (see Steadman v. SEC, 603 F.3d 1126, 1140 (U.S.C.A. 5th Circ. 1979)). Due to the fact, that neither the Plaintiff or ALJ GRIMES carefully articulated the reasoning upon which his[their] decision was based, to seek the most severe sanction, to ban the Respondent for life from the Securities Industry, ALJ GRIMES committed a prejudicial error in his INITIAL DECISION, warranting vacation thereof. For more detailed information on the prejudicial error, Respondent refers the Appeal Committee to review Respondent's PARTIAL ANSWER.

**ALJ GRIMES COMMITTED PREJUDICIAL ERRORS
IN THE ADMINISTRATIVE PROCEEDING BY
FAILING TO ADDRESS EACH AND EVERY CONTENTION RESPONDENT
PRESENTED IN THE MOTION TO CORRECT MANIFEST ERRORS OF
ALJ GRIMES' INITIAL DECISION OF DEFAULT PURSUANT TO RULE 111**

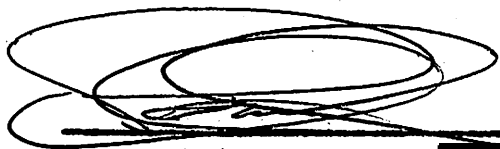
On November 8, 2016, Respondent submitted a detailed Motion to Correct Manifest Errors of Court's Initial Decision of Default Pursuant to Rule 111 ("MOTION TO CORRECT ERRORS"). On December 2, 2016, ALJ GRIMES issued an Order Denying Respondent's Motion to Correct, failing to address any of the numerous errors, that Respondent brought forth in Respondent's MOTION TO CORRECT ERRORS, and thereby, ALJ GRIMES, once again, violated Respondent's Federal and New York Constitutional rights of Due Process and Equal Protection. Therefore, ALJ GRIMES committed prejudicial errors in the conduct of the Proceeding.

RELIEF REQUESTED

The Respondent respectfully requests that the Appeal Committee vacate ALJ GRIMES' October 27, 2016 INITIAL DECISION and remand the case back to ALJ GRIMES to issue a Decision on each of Respondent's Motions: DISQUALIFICATION MOTION, PARTIAL ANSWER and MOTION TO CORRECT ERRORS and provide a detailed reasoning for each and every point of contention raised by Respondent in the afore-described pleadings, rather than summarily avoiding same, by simply stating "no merit" or equivilent thereof. The Respondent further respectfully requests that the Appeal Committee issue an Order for an in personam hearing to be held in the Administrative Proceeding as well as issue a further Order for Plaintiff to provide the Discovery Respondent Demanded in the Proceeding as well as Order ALJ GRIMES to execute the Judicial Subpoenas Duces Tecum, that Respondent previously submitted, to enable Respondent to prepare an adequate and effective defense for the hearing in the case at bar.

Dated: January 25, 2017
Dannemora, NY

Respectfully submitted,



Paul Leon White II, [REDACTED]
Respondent, Pro Se
[REDACTED]
P.O. Box [REDACTED]
Dannemora, NY [REDACTED]

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

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ADMINISTRATIVE PROCEEDING
File No. 3-17210

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In the Matter of,

PAUL LEON WHITE II

CERTIFICATE
OF SERVICE

-----X

I hereby certify that on January 25, 2017, I served the RESPONDENT'S PETITION FOR REVIEW OF THE INITIAL DECISION, by placing a true copy or original in a wrapper addressed to the persons listed below and depositing same with an ADVANCE AUTHORIZATION FORM for the Clinton Correctional Facility - Annex ("CCF") Correspondence Department to affix sufficient pre-paid First Class postage thereon and depositing same into a red, white and blue colored mail receptacle, having an American Eagle logo thereon, at CCF, which I believe is under the exclusive care and custody of the United States Postal Service. The wrappers were addressed to the following persons:

1. Lynn M. Powalski, Deputy Secretary, U.S. SEC, 100 F. Street, N.E., Washington, DC 20549-2557 *(1 original)
2. Brent Fields, Secretary, Office of Secretary, U.S. SEC, 100 F. Street, N.E., Washington, DC 20549-2557 *(1 original & 1 copy)
3. Alexander Janghobani Esq., U.S. SEC, 200 Vasey Street, New York, NY 10282-1022 (1 copy)

* NOTE: Respondent was limited to serving only 1 copy on the Office of the Secretary due to limited quantities of plain white paper, carbon paper and limited access to the prison law library


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Respondent, Pro Se

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