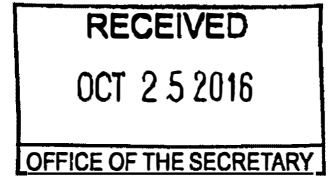


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UNITED STATE OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING
File No. 3-17398

In the Matter of

DELANEY EQUITY
GROUP LLC, DAVID C.
DELANEY, AND IAN C.
KASS

UNITED STATES ATTORNEY'S
APPLICATION TO INTERVENE,
UNOPPOSED MOTION TO STAY
THIS PROCEEDING, AND
INCORPORATED
MEMORANDUM OF LAW IN
SUPPORT

Respondents.

APPLICATION TO INTERVENE

Pursuant to Rule 210(c)(3) of the United States Securities and Exchange Commission's ("Commission" or "SEC") Rules of Practice, Wifredo A. Ferrer, United States Attorney for the Southern District of Florida (the "United States Attorney"), through the undersigned Assistant United States Attorney, makes this Application to Intervene in the above captioned proceeding, and makes this unopposed motion for an Order staying this administrative proceeding pending the resolution of related criminal proceedings that are pending in the Southern District of Florida.

As grounds for this Application, the United States Attorney submits the following information:

1. The Commission instituted this administrative proceeding under an Order Instituting Proceedings ("OIP") on or about August 16, 2016. The Respondents were served with the OIP before the end of August 2016, and Rule 230 discovery has been made available.

2. The OIP alleges, among other things, the following:

a. Between September 2009 and October 2013, three undisclosed control persons (the "Control Persons") fraudulently manufactured at least 12 undisclosed "blank check" companies (the "Blank Check Companies") for sale by reverse merger. Respondents David C. Delaney ("Delaney") and Ian C. Kass ("Kass") played a critical role in the fraud, including the signing and filing of a Form 211 application with the Financial Industry Regulatory Authority, Inc. ("FINRA") for each of the Blank Check Companies that contained misrepresentations and omissions. Delaney and Kass each worked for Respondent Delaney Equity Group ("DEG") during relevant time periods in which they participated in the alleged fraud.

b. From 2009 until October 2013, the Control Persons prepared false and misleading registration statements, and other securities filings, that falsely described the role of sole officers for the Blank Check Companies, and included other false and misleading statements as to the control of shares, the status of purported shareholders, and the true business purpose of the companies. The OIP goes on to allege that Delaney and Kass participated in the submission of Form 211 applications for twelve Blank Check Companies, including the following: Mobieyes Software, Inc.; mBeach Software, Inc.; MIB Digital, Inc.; Teaching Time, Inc.; BCS Solutions, Inc.; Hidden Ladder, Inc.; Benefit Solutions Outsourcing, Corp.; mLight Tech, Inc.; Big Clix Corp.; Blue Sun Media, Inc.; Blue Flash Communications, Inc., and FanSport, Inc. (the "Delaney-Kass Shell Companies").

c. The OIP further alleges that for the Delaney-Kass Shell Companies, Respondents Delaney and Kass engaged in actions to facilitate the fraudulent trading of shares of the companies by the Control Persons or their agents. This included executing documents with false representations, depositing paper shares of the issuers into accounts controlled by the Control Persons while signing documents containing false representations, and executing fraudulent over-the-counter trades on behalf of the Control Persons.

3. A criminal investigation is currently being conducted by the United States Attorney and the Federal Bureau of Investigation that has factual overlap with the allegations contained in the OIP. The criminal investigation is active and ongoing. To date, six individuals, including Respondent Ian C. Kass in the instant OIP, have been criminally charged in the United States District Court for the Southern District of Florida in three separate criminal cases (collectively, the "Criminal Cases"), for participation in a conspiracy to commit securities fraud involving the same

or similar factual allegations as those set forth in the OIP. A summary of the Criminal Cases follows:

a. On July 20, 2016, Daniel McKelvey (“McKelvey”), and Jeffrey L. Lamson (“Lamson”) were charged by information, in Case No. 16-20546-CR-RNS, and on July 28, 2016, Steven Sanders (“Sanders”) and Alvin S. Mirman (“Mirman”), were charged by separate information in connection with the same scheme, in Case No. 16-20572-CR-CMA. All four defendants were charged with one count of conspiracy to commit securities fraud, in violation of Title 18, United States Code, Section 1348 and certification fraud, in violation of Title 18, United States Code, Section 1350, all in violation of Title 18, United States Code, Section 371. All four defendants entered guilty pleas. Lamson was sentenced on October 13, 2016 to a term of prison. The other defendants have not yet been sentenced.

b. On September 21, 2016, Sheldon R. Rose and Ian C. Kass were charged by information in Case No. 16-20706-CR-JEM (the “Rose-Kass Information”), with conspiracy to commit securities fraud in violation of Title 15, United States Code, Sections 78j(b), 78ff, and Title 15, Code of Federal Regulations, Section 240.10b-5, all in violation of Title 18, United States Code, Section 371. Rose and Kass have not yet had their initial appearances in this matter. A copy of the Rose-Kass Information is attached hereto as Exhibit A.

4. There is significant factual overlap between the allegations that are the subject of the criminal investigation and the factual allegations set forth in the OIP. For example, as described in the Rose-Kass Information (Ex. A), including at page 3, paragraph 12, the criminal investigation is extensive and pertains to at least 37 shell companies, nearly all of which became issuers through the filing of false and fraudulent registration statements. The criminal investigation involves the conduct of various co-conspirators who were acting as accountants, attorneys, brokers, and promoters, in connection with the fraudulent creation, registration, and sale of shell companies. The criminal investigation also pertains to the subsequent change of control of these companies, many of which were thereafter used for stock manipulation schemes, including “pump and dump” stock swindles. All of the Delaney-Kass Shell Companies described in the instant OIP, are referenced in the Rose-Kass Information. More specifically, as with the OIP, the Rose-Kass Information contains factual allegations that pertain to the fraudulent submission of

Form 211s to FINRA, including at page 8, paragraph 27, where the conspirators are alleged to have included “false and fraudulent information about the role of the straw CEO at the company, the purpose of the company, and the business operations of the company.”

5. Of the six defendants that have been charged criminally in this matter to date, four of them -- McKelvey, Sanders, Mirman and Lamson -- were charged by the SEC in a separate civil enforcement action brought in the United States District Court for the Southern District of Florida, in *SEC v. McKelvey, et al.*, No. 15-80496-CV-KAM (S.D. Fla.), via a Second Amended Complaint, filed April 1, 2016. A fifth, Rose, was the subject of an administrative proceeding filed September 21, 2016, the same day as the filing of the Rose-Kass Information, in *In the Matter of Sheldon R. Rose*, Admin. Proc. File No. 3-17559. These civil enforcement actions have factual overlap with the Criminal Cases described above. Together with the instant OIP, all six defendants in the Criminal Cases have also been the subject of parallel civil enforcement actions.

6. Discovery in the instant OIP has commenced. Various aspects of the discovery in this OIP bear a direct relationship to ongoing activities and evidence collection in the criminal investigation. If these discovery activities take place as currently scheduled, they will have an adverse impact on the ability of the criminal authorities to continue to investigate this matter fully, and to exchange information with the SEC’s Enforcement Staff in an effective manner. For example, a subpoena issued by Delaney and DEG, that was authorized by order dated October 21, 2016 (“the Delaney Subpoena”), called at Request No. 5 for the SEC to produce “[a]ll correspondence between you and any other governmental agencies related to any of the Registered Companies or Registered Company Associates.” A copy of the Delaney Subpoena is attached as Exhibit B. The Registered Company Associates are defined to include all persons criminally

charged in this matter to date, except Lamson and Rose.¹ It is clear that Delaney and DEG are attempting to obtain by use of a subpoena in this OIP, communications between the SEC and criminal authorities related to persons who have been charged and may be cooperating with criminal authorities. The production of such communications to Delaney and DEG, in fact even the potential production of such communications, will have a chilling effect on the ability of criminal authorities to exchange information with the SEC's Staff in connection with the ongoing criminal investigation.

7. Because of the new deposition discovery rules that were implemented by the Commission in September 2016, Delaney and DEG are entitled to take testimony from various persons who are cooperating with criminal authorities. Such testimony will have an adverse impact on the ability of the United States Attorney to continue to investigate this matter and undertake criminal enforcement of the securities laws. For example, in the Initial Witness List served by Delaney and DEG on September 30, 2016, attached hereto as Exhibit C, Delaney and DEG listed various persons who are witnesses in the ongoing criminal investigation, including five of six persons who have been charged to date in the criminal investigation.² Since Rule 233 allows for depositions upon oral examination, and there are multiple respondents named in the OIP, the respondents collectively may take up to five depositions. Such depositions in this case will

¹ It is notable that Delaney and DEG have defined "Registered Company Associates" to include four of the six persons who have been charged criminally by information (*see* the Delaney Subpoena, Ex. B, at 4).

² The sixth person charged criminally, Rose, is represented in the SEC's civil enforcement action against him by the same law firm that represents Delaney and DEG in the instant OIP. Rose is charged with Kass in the Rose-Kass Information and is an alleged co-conspirator of all of the "Registered Company Associates," as that term is defined by Delaney and DEG in their subpoena. However, since Rose's name is absent from the definitions set forth in the Delaney and DEG subpoena of "Registered Company Associates," and the SEC-law enforcement correspondence that is sought in Request No. 5 seeks all communications between the SEC and criminal law enforcement regarding "Registered Company Associates," it appears to the United States Attorney that Delaney and DEG are attempting to use this discovery mechanism in an improper attempt to gain insight into, or otherwise thwart, the criminal investigation. Should this matter proceed without a stay, the United States Attorney will seek to intervene and to quash or otherwise modify this portion of the subpoena, pursuant to Rule 232(e) or otherwise.

adversely impact the ability of criminal authorities to obtain information from various witnesses, including persons who may be cooperating in this investigation or may be willing to cooperate, but only if they are able to resolve their potential criminal exposure.

8. In sum, the OIP and the ongoing criminal investigation contain substantial overlapping factual allegations. For the reasons set forth above as well as in the Memorandum of Law below, the continuation and disposition of this administrative proceeding will substantially prejudice the criminal investigation, hinder the criminal enforcement of the securities laws at issue, and impair the ability of the parties to obtain all relevant evidence in this administrative proceeding. Moreover, the duration of a stay would be finite, and would not prejudice the Respondents.

9. The Enforcement Staff of the Commission, and counsel for Respondents Kass, Delaney and Delaney Equity Group have informed the undersigned that they do not object to the Application to Intervene in this proceeding, and the entry of a stay in this administrative proceeding for a period of six months. However, the United States Attorney has reason to believe that the issues that give rise to this application and justify such a stay at this time, may well support a stay for a period in excess of a six months.

**UNOPPOSED MOTION FOR STAY OF PROCEEDINGS AND
INCORPORATED MEMORANDUM OF LAW IN SUPPORT**

The United States Attorney respectfully requests that this Administrative Proceeding be stayed pending the resolution of the related criminal proceedings, including the Criminal Cases cited above, for an initial period of six-months. The United States Attorney further requests that a hearing be scheduled for six months hence so that the presiding Administrative Law Judge may determine whether additional periods for such a stay may be warranted.

I. A STAY OF THE ADMINISTRATIVE PROCEEDING IS NECESSARY, APPROPRIATE AND IN THE PUBLIC INTEREST

Pursuant to Rule 210(c)(3) of the Rules of Practice for the SEC, an Administrative Law Judge may grant leave for representatives of a United States Attorney's Office to participate in a Commission administrative proceeding “for the purpose of requesting a stay during the pendency of a criminal investigation or prosecution arising out of the same or similar facts that are at issue in the pending Commission enforcement” proceeding. The Rule expressly provides that “[u]pon a showing that such a stay is in the public interest or for the protection of investors, the motion for stay shall be favored.” Granting a stay in this case is in the public interest for at least three reasons: (1) the stay would avoid prejudicing an ongoing criminal investigation, as well as the prosecutions pending in the Southern District of Florida in *United States v. Daniel McKelvey and Jeffrey Lamson*, 16-20546-CR-RNS, *United States v. Steven Sanders*, and *Alvin Mirman*, No. 16-20572-CR-CMA, and, *United States v. Sheldon R. Rose and Ian C. Kass*, No. 16-20706-CR-JEM; (2) the criminal investigation and pendency of the Criminal Cases will likely impair the effective presentation of evidence in the above-captioned administrative proceeding; and (3) there is no prejudice to the Respondents if the stay is granted.

A. Prejudice to the Criminal Prosecution If a Stay Is Denied

Protection of the public through the earnest and vigorous enforcement of its criminal laws is an important public policy. To further this goal, “[f]ederal courts and the Commission have repeatedly recognized that civil or administrative proceedings may be stayed pending resolution of parallel criminal proceedings where justice requires.” *In the Matter of A.S. Goldman & Co., et al.*, Order Postponing Proceedings, at 4, Admin. Proc. File 3-9933 (Sept. 1, 1999) (Commission overruling administrative law judge's denial of stay). The law is clear that an administrative proceeding should be stayed if going forward with it would interfere with a criminal investigation

or prosecution. See *In the Matter of Paul A. Flynn*, Admin. Proc. File No. 3-11390 (March 4, 2004) (“The Commission has made it clear that administrative proceedings should not interfere with parallel criminal proceedings.”); *In the Matter of Hunter Adams, et al.*, Admin. Proc. File No. 3-10624 (Nov. 27, 2001) (“Administrative Law Judges routinely grant such stays.”).

Where, as here, the criminal and administrative proceedings arise out of the same facts, a stay is warranted. See *In the Matter of Michael J. Rothmeier, et al.*, Admin. Proc. File No. 3-10007 (May 25, 2000) (granting a stay where criminal and administrative proceedings related to same allegations); *In the Matter of Hunter Adams, et al.*, Admin. Proc. File No. 3-10624 (Nov. 27, 2001) (same). As described in more detail above, the allegations that form the basis of the OIP in this Administrative Proceeding overlap with allegations in the Criminal Cases and the ongoing criminal investigation. In the ordinary course, the hearing in this administrative proceeding will be set for a date between December 2016, and June 2017 (*see* SEC Rule of Practice 360(a)(2)(ii) (“Under the 120-day timeline, the hearing officer shall issue an order scheduling the hearing to being approximately four months (but no more than ten months) from the date of service of the order instituting the proceeding.”) While the Criminal Cases are already charged, the criminal investigation is active and ongoing. It is highly likely that the hearing in this OIP will take place well before the conclusion of the criminal investigation.

Furthermore, because of the new discovery rules implemented in September 2016 as part of the SEC’s Rules of Practice, and the discovery demands that have already been made by Respondents Delaney and DEG in connection with the subpoena dated October 21, 2016 and the persons identified on their witness list (*see* Exhibits B and C), it is a certainty that multiple witness statements will be obtained through the deposition discovery phase of this matter from persons who are witnesses and/or are cooperating in the criminal investigation. For example, Delaney and

DEG have identified McKelvey, Lamson, Sanders, Mirman and Respondent Kass, as witnesses. All of these persons have been charged by criminal information, and other persons on the Delaney and DEG witness list may be witnesses in the criminal investigation. Because Delaney and DEG were authorized on October 21, 2016, to obtain via document subpoena all communications between criminal authorities and the SEC's Enforcement Staff, related to these persons, this will provide a chilling effect on the ability of the criminal authorities and the SEC to share information and thus enforce the securities laws as they pertain to the widespread and extensive fraud that has been alleged in this OIP as well as in the Criminal Cases that have been filed to date.

The creation of multiple sworn statements of the same witnesses has previously been recognized as grounds for a stay. *See In the Matter of Kolar*, Admin. Proc. File No. 3-9570 (Oct. 28, 1999) (noting that the request of the United States Attorney for the Eastern District of Michigan to postpone the hearing in the case until after the conclusion of a related criminal trial was granted in part because "allowing the administrative proceeding to go first 'could seriously prejudice the government's case by creating multiple prior sworn testimonies on the part of many witnesses,' which, in turn, 'will allow the creation of impeachment material on the government's witnesses.'") (quoting the statements of the U.S. Attorney). Given the new discovery rules implemented in September 2016, there is an obvious tension between the ability of a respondent to take deposition discovery (as well as issue subpoena demands for communications between the SEC and criminal authorities), let alone proceed to an administrative hearing where testimony will be obtained, and the ability of criminal authorities to obtain witness statements and develop evidence when there is an active and ongoing criminal investigation or proceeding taking place at the same time.

Such a tension exists here, and the United States Attorney respectfully requests that this proceeding be stayed because testimony taken before the conclusion of the criminal proceedings,

in the form of deposition discovery or at a hearing in this administrative proceeding, would jeopardize the prosecution of the Criminal Cases and the development of evidence in the ongoing criminal investigation.

B. Prejudice to the Administrative Proceedings If a Stay Is Denied

The administrative proceedings could be undermined in the absence of a stay. Given that the OIP allegations that pertain to Kass, Delaney and DEG; the fact that Kass has been charged in a parallel criminal case; that numerous other person on Respondent Delaney and DEG's witness lists have already been charged; and, that other persons on their witness list may have criminal exposure, it is likely that persons from who discovery or testimony may be sought in this OIP will assert the Fifth Amendment against providing testimony or other discovery while there is an ongoing criminal investigation or criminal case that may pertain to them. For example, Respondents Delaney and DEG have listed Respondent Kass, as well as other persons who have already been charged criminally, as witnesses. Since Respondent Kass has to face his pending criminal matter, as do other persons who have been listed as witnesses by Delaney and DEG (and whose conduct is implicated by the allegations in the OIP), they are in the difficult position of having to defend against the allegations in the OIP enforcement action while also trying to resolve or navigate their exposure in the criminal matter.

Furthermore, the invocation of the Fifth Amendment during discovery or at a hearing in the OIP could complicate the ability of such persons to cooperate or otherwise resolve their liability in the criminal case, because, among other things, it can create impeachment information. Thus, the pending Criminal Cases and ongoing criminal investigation could materially impair the ability of the parties in this OIP to obtain relevant evidence in the administrative proceedings.

C. Respondents Will Not Be Prejudiced by a Stay

Counsel for the SEC and for Respondent Kass have indicated they do not object to the entry of a stay in this administrative proceeding until the resolution of the criminal investigation and the Criminal Cases, and counsel for Respondents Delaney and DEG, have indicated that they do not oppose a stay of six months. Therefore, there is no indication that a stay would prejudice any of the Respondents. *See In the Matter of A.S. Goldman & Co.*, Admin. Proc. File No. 3-9933 at 6 (Commission ordered a stay of the administrative proceeding pending resolution of the criminal case, noting “there has been no showing that the Respondents will be prejudiced in the administrative case by a stay”).

As such, the United States Attorney respectfully requests that these proceedings be stayed for a period of six-months. It may well be the case that the United States Attorney will request additional time for such a stay, and thus recommends that a status conference be set for six-months hence so that the presiding Administrative Law Judge may determine whether any additional stay may be warranted at that time.

CONCLUSION

For the reasons outlined above, the public interest would best be served by staying this administrative proceeding pending the resolution of the parallel criminal investigation and the pending Criminal Cases. Should the request for a stay be granted, the United States Attorney's Office is amenable to providing periodic status reports as may be required by any order, or otherwise provide additional information at a status conference, should one be set in the future. *See, e.g., In the Matter of Paul A. Flynn*, Admin. Proc. File No. 3-11390 (March 4, 2004); *In the Matter of Michael J Rothmeier, et al.*, Admin. Proc. File No. 3-10007 (May 25, 2000).

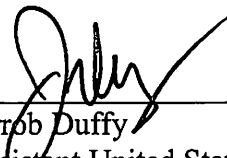
WHEREFORE, the United States Attorney respectfully seeks leave to intervene and an Order staying this administrative proceeding pending the disposition of the criminal proceedings being conducted by the United States Attorney for the Southern District of Florida.

Dated: Miami, Florida
October 24, 2016

Respectfully submitted,

WIFREDO A. FERRER
UNITED STATES ATTORNEY

By:



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CERTIFICATE OF SERVICE

I hereby certify that an original and three copies of the foregoing were filed with the U.S. Securities and Exchange Commission, Office of the Secretary, 100 F Street, N.E., Washington, D.C. 20549-9303, and that a true and correct copy of the foregoing has been served by U.S. Mail and electronic mail, on this 24th day of October, 2016, on the following persons entitled to notice:

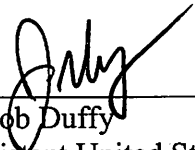
Honorable Jason S. Patil
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By:



Jerrob Duffy
Assistant United States Attorney

EXHIBIT A

FILED by TB D.C.

Sep 21, 2016

STEVEN M. LARIMORE
CLERK U.S. DIST. CT.
S.D. OF FLA. - MIAMI

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
16-20706-CR-MARTINEZ/GOODMAN
CASE NO. _____

18 U.S.C. § 371

18 U.S.C. § 981(a)(1)(C)

UNITED STATES OF AMERICA

vs.

SHELDON R. ROSE and
IAN C. KASS,

Defendants.

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At times material to this Information:

1. Defendant **SHELDON R. ROSE** was a resident of Sarasota, Florida, and acted as a promoter and accountant for companies that were registered to do business in the State of Florida.
2. Defendant **IAN C. KASS** was a registered securities representative who conducted business in Ft. Lauderdale, Florida, and acted as a representative of various broker-dealers.
3. Conspirator Steven Sanders was a resident of Lake Worth, Florida, and acted as a promoter for companies that were registered to do business in the State of Florida.
4. Conspirator Alvin S. Mirman was a resident of Sarasota, Florida, and acted as a promoter for companies that were registered to do business in the State of Florida.
5. Conspirator Daniel McKelvey was a resident of Foster City, California, and acted as a promoter for companies that were registered to do business in the State of Florida.

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. _____
18 U.S.C. § 371
18 U.S.C. § 981(a)(1)(C)

UNITED STATES OF AMERICA

vs.

**SHELDON R. ROSE and
IAN C. KASS,**

Defendants.

_____ /

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At times material to this Information:

1. Defendant **SHELDON R. ROSE** was a resident of Sarasota, Florida, and acted as a promoter and accountant for companies that were registered to do business in the State of Florida.
2. Defendant **IAN C. KASS** was a registered securities representative who conducted business in Ft. Lauderdale, Florida, and acted as a representative of various broker-dealers.
3. Conspirator Steven Sanders was a resident of Lake Worth, Florida, and acted as a promoter for companies that were registered to do business in the State of Florida.
4. Conspirator Alvin S. Mirman was a resident of Sarasota, Florida, and acted as a promoter for companies that were registered to do business in the State of Florida.
5. Conspirator Daniel McKelvey was a resident of Foster City, California, and acted as a promoter for companies that were registered to do business in the State of Florida.

6. Conspirator A was an attorney licensed in Florida who conducted business in Boca Raton, Florida.

7. Conspirator B was an attorney licensed in New York who was a principal of Law Firm A, which conducted business in New York, New York.

8. Conspirator C was an attorney licensed in New York who was an employee of Law Firm A.

9. The U.S. Securities and Exchange Commission ("SEC") was an agency of the United States responsible for enforcing the securities laws.

10. A Form S-1 registration statement was required to be filed with the SEC in order for a company to issue stock, or "securities," to the public. The Form S-1 was required to disclose, among other things, the role of any promoter or officer, and the financial condition and results of operations of the company. Once a company's registration was deemed effective, it was required to file periodic and annual reports with the SEC on Forms 8-K, 10-K, and 10-Q.

11. Shares of publicly traded companies (known as "issuers") that were not registered with the SEC generally could not be sold to the public. Such shares were generally considered "restricted." However, Rule 144 of the Rules and Regulations promulgated by the SEC ("Rule 144") permitted the sale of restricted securities in certain circumstances. One of the conditions necessary for reliance on Rule 144 was that the issuer was not, and had never been, a "shell company." A "shell company" was a company with no or nominal operations and no or nominal non-cash assets. Another requirement for relying on Rule 144 was that the seller of the securities was not an "affiliate." An "affiliate" was a person that directly, or indirectly through one or more intermediaries, controlled, or was controlled by, or was under common control with, the issuer. Any relative or spouse of an "affiliate" was also deemed an "affiliate." A further requirement for

reliance on Rule 144 was that restricted stock must be held for at least one year after being acquired from an issuer or an affiliate of an issuer before it could be sold into the market. Shares that were not "restricted" generally were considered "free trading."

12. Premier Nursing Products Corp.; We Sell For U Corp.; Pashmina Depot.com Inc.; Liquid Financial Engines, Inc.; Mobieyes Software, Inc.; mBeach Software, Inc.; MIB Digital, Inc.; Intake Communications, Inc.; Teaching Time, Inc.; Hidden Ladder, Inc.; BCS Solutions, Inc.; Benefit Solutions Outsourcing, Corp.; Big Clix, Inc.; mLight Tech, Inc.; Blue Sun Media, Inc.; Blue Flash Communications, Inc.; FanSport, Inc.; ShopEye, Inc.; Mobile Vault, Inc.; Diamond Lane, Inc.; Sunchip Technology, Inc.; Rainbow Coral Corp.; First Titan Corp.; Neutra Corp.; Aristocrat Group Corp.; First Social Network Corp.; E-Waste Corp.; First Independence Corp.; Universal Technology Systems Corp.; Changing Technologies, Inc.; XtraSafe, Inc.; Global Group Enterprises Corp.; Envoy Group Corp., Visual Acumen, Inc., First Xeris Corp., and Orion Global Corp. were shell companies (collectively, the "Shell Companies").

13. A "straw CEO" was an individual who, in exchange for a fee, allowed his name to be listed as a chief executive officer on corporate paperwork. A "straw shareholder" was an individual who, in exchange for a fee, allowed his name to be listed on corporate paperwork as a shareholder of one of the Shell Companies.

14. Shares issued directly by the Shell Companies were restricted at the time they were initially issued, and therefore unable to be sold in the public marketplace unless (a) the restrictive legends were removed from the stock certificates by the transfer agent, and (b) brokerage firms accepted the shares for deposit and sale. Rule 144 provided an exemption for the removal of restrictive legends. To take advantage of the Rule 144 exemption, however, the transfer agent generally required a legal opinion letter stating that the conditions of Rule 144 have been met.

Moreover, before stock was accepted for deposit and sale by a brokerage firm, the firm often required a similar legal opinion letter.

15. A "beneficial owner," as defined under the rules of the SEC, included any person who directly or indirectly shared voting power or investment power (the power to sell a security). When a person or group of persons acquired beneficial ownership of more than 5% of a voting class of a company's shares registered under Section 12 of the Securities Exchange Act of 1934, 15 U.S.C. § 78l, they were required to file a Schedule 13D with the SEC. Schedule 13D reported the acquisition of the shares and other information, and any material changes in the facts contained in the schedule required a prompt amendment.

16. In a "reverse merger," a private company acquired a majority of the shares of a public shell company, which was then merged with the purchasing entity. The public shell company was required to report the terms of a reverse merger in a Form 8-K filing with the SEC, including all related transactions.

17. "Microcap" or "penny" stocks referred to stocks of publicly traded U.S. companies which have a low market capitalization. Microcap stocks were often traded via the OTC Bulletin Board or pink sheet markets and were subject to price manipulation because they were thinly traded and subject to less regulatory scrutiny than stocks that traded on notable exchanges. Additionally, large blocks of microcap stock were often controlled by a small group of individuals, which enabled those in the group to control or orchestrate manipulative trading in those stocks.

18. The Financial Industry Regulatory Authority ("FINRA") was a self-regulatory authority responsible for writing and enforcing securities rules for broker-dealers and registered securities representatives. A company was required to obtain approval from FINRA before microcap or penny stock shares could be traded via the OTC Bulletin Board or pink sheet markets.

An application on Form 211 was required to be filed with FINRA, and was required to be submitted by a registered securities representative on behalf of the company, in order to obtain such approval.

19. "Wash trades" were purchases and sales of securities that matched each other in price, volume and time of execution, and involved no change in beneficial ownership. "Matched trades" were similar to wash trades but involved a related third person or party who placed one side of the trade. Both wash trades and matched trades were manipulation techniques used to create the false appearance that the stock price and volume rose as a result of genuine market supply and demand for the securities. Matched trades were also used to transfer ownership or control of the shares at a prearranged price from one individual to another, while giving the appearance of legitimate market activity.

20. A "pump and dump" scheme was a scheme where a group of individuals who controlled the free trading or allegedly unrestricted shares of a microcap company fraudulently inflated the share price and trading volume of the company through, among other things, wash and matched trades, false and misleading press releases, and paid stock promotions. When the company's share price reached desirable levels, the individuals sold their free trading shares for substantial financial gain.

**CONSPIRACY TO COMMIT SECURITIES FRAUD
(18 U.S.C. § 371)**

From in or around January 2007, through in or around January 2014, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

**SHELDON R. ROSE and
IAN C. KASS,**

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with each other and others to commit certain offenses

against the United States, that is, to knowingly, willfully, and unlawfully, by the use of means and instrumentalities of interstate commerce, the mails, and the facilities of national securities exchanges, directly and indirectly, use and employ manipulative and deceptive devices and contrivances in connection with the purchase and sale of securities, and (a) employ a device, scheme and artifice to defraud; (b) make untrue statements of material fact and omit to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engage in acts, practices and courses of business which would and did operate as a fraud and deceit upon any person, in connection with the purchase and sale of securities; in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

PURPOSE OF THE CONSPIRACY

21. It was a purpose of the conspiracy for the conspirators to unlawfully enrich themselves by creating shell companies and falsely and fraudulently registering them with the SEC, so that the companies could issue shares which could be traded in the microcap or penny stock markets. After obtaining approval for the shares of the companies to be publicly traded, the conspirators would secretly obtain control of all or nearly all of the free trading shares. The conspirators would then sell the companies and the free trading shares at a profit to buyers who would then utilize the companies to engage in pump and dump stock swindles and other manipulation schemes.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants and their conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

22. **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, and Daniel McKelvey would recruit individuals to serve as straw CEOs for the Shell Companies. These conspirators

would inform the straw CEOs that they would have no further role with the company and would be paid only when the company was later sold. ROSE, Sanders, Mirman, and McKelvey would thereafter file incorporation documents with the State of Florida and obtain employer identification documents from the IRS, reflecting the name of the straw CEOs as the sole officers and/or directors of the companies.

23. **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, and Daniel McKelvey would open bank accounts in the name of the Shell Companies, using funds and documents provided by the conspirators, but with the straw CEOs listed on the bank accounts. These bank accounts would be controlled by ROSE, Sanders, Mirman, and McKelvey, and not typically accessed by the straw CEOs.

24. **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, and Daniel McKelvey would prepare false and fraudulent corporate documents for the Shell Companies, such as board meeting minutes, stock certificates and shareholder lists. The conspirators would then submit these false and fraudulent documents and other false information to the SEC on Forms S-1 in order to obtain effective registration of the Shell Companies. After a company's registration was effective, ROSE, Sanders, Mirman, McKelvey and others would file current, periodic and annual reports for the Shell Companies on Forms 8-K, 10-K, and 10-Q. These reports were required to be filed pursuant to 15 U.S.C. § 78m(a), or were filed pursuant to 15 U.S.C. § 78o(d). The reports did not disclose the role of the conspirators with the respect to the Shell Companies or the true purpose of the companies.

25. **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, and Daniel McKelvey would fraudulently place the straw CEOs' electronic signatures on the Forms S-1, 8-K, 10-Q, and 10-K that falsely represented that the straw CEO had reviewed and verified the accuracy of the information in the filing.

26. **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, and Daniel McKelvey, would recruit approximately 24 nominee shareholders for each shell company that were purportedly unaffiliated with the company, and would assign an equal number of shares to each nominee shareholder. This was done to make it appear that none of the nominee shareholders controlled 5% of the shares, facilitate a subsequent application to FINRA for the shares to be traded in the OTC Bulletin Board or pink sheet markets, and avoid reporting requirements pertaining to the eventual sale or transfer of these shares to a shell buyer. In reality, the nominee shareholders were promised a fixed amount of money once the company was ready to be sold, and the shares were in fact controlled by **ROSE**, Sanders, Mirman, and McKelvey.

27. After the registration of a shell company was deemed effective, a Form 211 would be prepared and submitted to FINRA to obtain approval for the company's shares to be publicly traded in the OTC Bulletin Board or pink sheet markets. For many of the companies, beginning in approximately August 2010, **IAN C. KASS** would submit the Form 211 as well as follow-up communications to FINRA, which would include false and fraudulent information about the role of the straw CEO at the company, the purpose of the company, and the business operations of the company.

28. **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, Daniel McKelvey, **IAN C. KASS**, and Conspirator A would seek buyers for the Shell Companies. For an agreed upon price to be paid to **ROSE**, Sanders, Mirman, and McKelvey, the shell buyers would be offered the opportunity to purchase (a) control of the company and all of the restricted shares held in the name of the straw CEO, as part of a "reverse merger," and (b) all of the company's purportedly free trading shares that were held in the names of nominee shareholders, in a separate set of transactions.

29. Conspirator A would provide legal opinions pursuant to Rule 144 for the purpose of removing the “restricted” legend on shares of various shell companies, that falsely and fraudulently represented that **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, Daniel McKelvey, or their immediate family members, were not “affiliates” of the Shell Entities. Conspirator A would thereafter transmit these false and fraudulent opinion letters to various stock transfer agents and broker-dealers, including **IAN C. KASS**, so that the shares could be sold in the public marketplace.

30. Conspirator A would act as the closing attorney for many of the shell entity sales. The straw CEO of the Shell Company would be listed on paperwork as the client of Conspirator A, but Conspirator A would typically have no contact or retainer agreement with the straw CEO. Conspirator A would take direction from **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, or Daniel McKelvey with respect to all actions related to the transactions, including the disbursement of funds. Conspirator A also would transmit his bills to, and receive payments for his services from, **ROSE**, Sanders, Mirman, or McKelvey. Conspirator A would typically pay the Straw CEO a nominal portion of the shell company sale proceeds and, after subtracting funds for himself, pay the remaining funds to **ROSE**, Sanders, Mirman, and McKelvey.

31. For many of the shell entities, Conspirator A would distribute the proceeds to the same conspirators for whom he had written an opinion letter indicating that they (or their immediately family member) were not an “affiliate” of the company pursuant to Rule 144.

32. In certain instances, **SHELDON R. ROSE**, Steven Sanders, Alvin S. Mirman, and Daniel McKelvey would negotiate a sale price of a shell entity, along with the entire class of free trading shares, with Conspirator B and Conspirator C. Conspirator B and Conspirator C acted as intermediaries for other persons who were conducting pump and dump stock swindles.

33. To further assist with the scheme, IAN C. KASS executed Customer Stock Deposit Representation forms to deposit shares of the Shell Entities on behalf of the persons listed on the forms, that falsely represented that the listed customer was not an affiliate of the company and that the shares listed on the forms were not to be sold as part of any other payment or proposed sale of stock related to the company. In truth and in fact, KASS executed these forms on behalf of SHELDON R. ROSE, Daniel McKelvey, Steven Sanders, Alvin Mirman, and their family members, knowing that the purportedly free trading shares listed on the forms were to be sold to a shell buyer.

34. The transfer of the shell entity to the shell buyer, as well as the class of restricted shares, would be disclosed to the SEC and the public as a "reverse merger." The transfer of the purportedly unrestricted shares to the shell buyer, typically to a separate person or entity designated by the buyer, would not be disclosed to the SEC and the public. During the scheme, shares of the Shell Companies were purchased on the open market by investors, including investors located in Miami-Dade County.

OVERT ACTS

In furtherance of the conspiracy and to achieve the objects and purpose thereof, at least one conspirator committed and caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

1. On or about March 9, 2009, Conspirator A executed a letter that opined that the restrictive legends pertaining to shares of Liquid Financial Engines, Inc., held by close family members of McKelvey and Sanders, could be removed, even though McKelvey was the listed CEO on the company's corporate filings, and Conspirator A distributed all of the proceeds of the sale of the company to McKelvey and Sanders.

2. On or about February 26, 2013, Conspirator A executed a letter that falsely and fraudulently stated that 1,000,000 shares of Fan Sport, Inc., held by Daniel McKelvey, were freely tradeable because he was not an "affiliate" of the company as defined in Rule 144, even though Conspirator A distributed all the proceeds of the sale of Fan Sport, Inc., to Daniel McKelvey and Steven Sanders in equal amounts.

3. On or about September 5, 2013, Conspirator C transmitted an email to **SHELDON R. ROSE** indicating that the shell buyer for UTCH agreed to purchase all of the free trading shares as part of the purchase of the shell entity.

4. On or about October 7, 2013, **SHELDON R. ROSE** transmitted an email to **IAN C. KASS**, in Ft. Lauderdale, Florida, requesting to know the status of a prearranged trade of UTCH shares, that was part of the sale of the shell entity.

5. On or about October 29, 2013, **IAN C. KASS**, in Ft. Lauderdale, Florida, at time stamp 16:50, transmitted an instant message to Individual A, directing the sale of 125,000 shares of UTCH, at \$0.02, on behalf of Account Holder A.

6. On or about October 29, 2013, **IAN C. KASS** in Ft. Lauderdale, Florida, at time stamp 16:50, transmitted an instant message to Individual A, directing the purchase of 125,000 shares of UTCH, at \$0.02, on behalf of Account Holder B.

All in violation of Title 18, United States Code, Section 371.

FORFEITURE
(18 U.S.C. § 981(a)(1)(C))

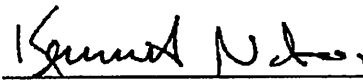
1. The allegations in the General Allegations section and the Manner and Means section of this Information are re-alleged and incorporated herein by reference for the purpose of alleging forfeiture to the United States of America, of property in which **SHELDON R. ROSE** and **IAN C. KASS** have an interest.

2. Upon conviction of the offense alleged in this Information, **SHELDON R. ROSE** and **IAN C. KASS** shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense of conviction.

3. With respect to defendant **SHELDON R. ROSE**, the property subject to forfeiture includes, but is not limited to, \$2,723,512.

4. Pursuant to Title 21, United States Code, Section 853(p), made applicable through Title 28, United States Code, Section 2461, if any property described above as being subject to forfeiture, as a result of any act or omission of the defendant: cannot be located upon due diligence; has been transferred, sold to, or deposited with a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be subdivided without difficulty; it is the intent of the United States to seek the forfeiture of other property of the defendant up to the value of the above-described forfeitable property, and it is intent of the United States to seek a forfeiture money judgment in that amount.

All pursuant to Title 18, United States Code, Section 981(a)(1)(C) and the procedures set forth in Title 21, United States Code, Section 853, made applicable through Title 28, United States Code, Section 2461(c).



WIFREDO A. FERRER
UNITED STATES ATTORNEY



JERROLD DUNFY
ASSISTANT UNITED STATES ATTORNEY

EXHIBIT B

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

In the Matter of)	
)	
DELANEY EQUITY GROUP,)	ADMINISTRATIVE PROCEEDING
LLC, DAVID C. DELANEY,)	File No. 3-17398
AND IAN C. KASS)	
Respondents.)	

SUBPOENA DUCES TECUM WITHOUT DEPOSITION

To: Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

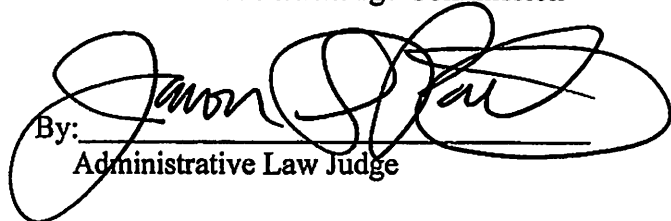
YOU ARE COMMANDED to appear at the offices of Wiand Guerra King P.A., 5505 West Gray Street, Tampa, FL 33609 on or before **ten (10) days** from the date of this request, and to have with you at that time and place the items set forth in the attached **Exhibit A**.

These items will be inspected and may be copied at that time. You will not be required to surrender the original items. **You may comply with this subpoena by providing legible copies of the items to be produced to the attorney whose name appears on this subpoena on or before the scheduled date of production.** You may mail or deliver the copies to the attorney whose name appears on this subpoena and thereby eliminate your appearance at the time and place specified above. You may condition the preparation of the copies upon the payment in advance of the reasonable cost of preparation. You have the right to object to the production pursuant to this subpoena at any time before production by giving written notice to the attorney whose name appears on this subpoena. **THIS WILL NOT BE A DEPOSITION. NO TESTIMONY WILL BE TAKEN.**

If you fail to comply with this subpoena you may be in contempt. You are subpoenaed by the United States Securities and Exchange Commission and unless excused from this subpoena by the SEC or the undersigned attorney, you shall respond as directed.

Requested by:
Burton W. Wiand, Esq.
Michael S. Lamont, Esq.
Jordan D. Maglich, Esq.
Wiand Guerra King PA
5505 West Gray Street
Tampa, FL 33609
Attorneys for Respondents Delaney

Issued by:
U.S. Securities and Exchange Commission

By: 
Administrative Law Judge

Equity Group LLC, and David C. Delaney

Dated:

10/21/2016

DEFINITIONS

For the purpose of this subpoena, the following definitions shall apply:

1. As used herein, “you” or “your” shall mean and refer to the U.S. Securities and Exchange Commission, the entity which is the subject of this subpoena, any divisions thereof, its present and former officers and directors, current employees, former employees, and agents, and all other persons acting on its behalf or at its direction or control, including representatives, accountants and attorneys.

2. As used herein, “Registered Companies” shall mean and refer to any of the following entities, and shall be construed in its broadest sense to include, but not be limited to, any corporations, affiliates, subsidiaries, divisions, joint ventures, partnerships, present and former officers and directors, current employees, former employees, and agents, with which any of the Registered Companies is affiliated, and all other persons acting on behalf or at the direction or control of any of the Registered Companies, including representatives, accountants and attorneys:

- a. Mobieyes Software, Inc.;
- b. mBeach Software, Inc.;
- c. MIB Digital, Inc.;
- d. Teaching Time, Inc.;
- e. BCS Solutions, Inc.;
- f. Hidden Ladder, Inc.;
- g. Benefit Solutions Outsourcing, Corp.;
- h. mLight Tech, Inc.;
- i. Big Clix Corp.;
- j. Blue Sun Media, Inc.;
- k. Blue Flash Communications, Inc.;
- l. FanSport, Inc.;
- m. Liquid Financial Engines, Inc.;
- n. Intake Communications, Inc.;
- o. Entertainment Art, Inc.;
- p. Mobile Vault, Inc.;
- q. Diamond Lane, Inc.;
- r. Sunchip Technology, Inc.;
- s. Premier Nursing Products Corp.;
- t. We Sell For U Corp.;
- u. Pashminadepot.com, Inc.;
- v. Rainbow Coral Corp.;
- w. First Titan Corp.;
- x. Neutra Corp.;
- y. Aristocrat Group Corp.;
- z. First Social Network Corp.;
- aa. E-Waste Corp.;
- bb. First Independence Corp.;
- cc. Universal Technology Systems Corp.;

- dd. Changing Technologies, Inc.;
- ee. XtraSafe, Inc.;
- ff. Global Group Enterprises Corp.;
- gg. Envoy Group Corp.; and
- hh. Visual Acumen, Inc.

3. The term **“Registered Company Associates”** shall mean and refer to any of the following individuals:

- a. Steven Sanders;
- b. Alvin Mirman;
- c. Daniel McKelvey; and
- d. Ian Kass.

4. The term **“document”** or **“documents”** means any written, graphic, electronic, or aural representation of any kind whether produced, reproduced or stored on paper, cards, tapes, discs, belts, charts, films, computer storage devices or other electronic device or any other medium including, without limitation, matter in the form of photographs, charts, graphs, plans, drawings, emails, instant messages, text messages, twitters, blogs, websites, microfiches, microfilms, videotapes, recordings, motion pictures, books, reports, studies, statements, speeches, notebooks, checks, stubs, forms, applications, tickets, ticket stubs, receipts, agreements, appointment calendars, working papers, graphs, manuals, brochures, contracts, memoranda, notes, records, correspondence, diaries, bookkeeping entries, published materials, invoices, letters, messages, telegrams, drafts, studies, analyses, summaries, magazines, booklets, expense records, appraisals, valuations, estimates, opinions, financial statements, accounting records, income statements, premium notices, forecasts, illustrations and any non-identical drafts and copies of the foregoing. Further, the term **“documents”** shall include any drafts or earlier, preliminary, preparatory or tentative versions of all or a part of a document(s), whether or not the terms of the draft are the same as or different from the terms of the final document, and the term document includes all copies of any documents which are not identical in every respect with other documents being produced.

5. **“All documents”** means every document, as defined above, known to you and every such document which may be located or discovered by reasonably diligent efforts.

6. **“Correspondence”** means any letter, telegram, telex, notice, message, memorandum, email, or other written communication or transcription or notes of a communication.

7. The conjunctives **“and”** and **“or”** shall each be construed either disjunctively or conjunctively as necessary to bring within the scope of the discovery request all responses that might otherwise be construed to be outside of its scope.

8. **“Relating to”** means relating to, regarding, indicating, evidencing, constituting, bearing upon, concerning, addressing, discussing, mentioning, describing, reflecting, responding to, identifying, pertaining to, having to do with, criticizing, contradicting, evaluating, analyzing,

setting forth, underlying, commenting on, forming the basis for, or otherwise being in any way relevant or having any relationship whatsoever to the subject matter of the request.

INSTRUCTIONS

1. Unless otherwise specified, the time period covered by this subpoena is from January 1, 2009, to present and documents which have been created prior to January 1, 2009, but which have been used since that time that relates to the specified matters shall be produced in response to this subpoena. This subpoena does not seek documents already produced by the Commission in connection with this proceeding.

2. You are requested to produce documents as they are kept in the usual course of business or the documents shall be organized and labeled to correspond with the categories in this subpoena. In addition, documents are to be produced in full and unexpurgated form; redacted documents will not constitute compliance with this subpoena. To the extent any of the requested documents or information are created or stored in an electronic format (such as .DAT, Excel spreadsheets, CSV or other delimited text files), they should be converted/processed into searchable PDF or TIFF files and should also be produced in their native electronic format.

3. If any documents covered by this subpoena are withheld by reason of a claim of privilege, a list is to be furnished at the time that documents are produced identifying any such document for which the privilege is claimed together with the following information with respect to any such document withheld: author; recipient; sender; indicated or blind copies; date; general subject matter; basis on which the privilege is claimed and the paragraph of this subpoena to which such document relates.

4. In the event that any document called for by this subpoena has been destroyed, lost, discarded or otherwise disposed of, any such document is to be identified as completely as possible, including, without limitation, the following information: date of disposal, manner of disposal, reason for disposal, person authorizing the disposal and person disposing of the document.

5. This subpoena is intended to include all documents including drafts and copies of such documents in your possession, custody or control wherever located.

EXHIBIT A

DOCUMENTS TO BE PRODUCED

1. All documents relating to the review of any registration statements or amendments thereto filed by the Registered Companies, including but not limited to notes (whether handwritten or electronic), memoranda, and internal correspondence within or between any divisions of the U.S. Securities and Exchange Commission.

2. All comment letters, and drafts thereof, prepared following the review of any registration statements or amendments thereto relating to the Registered Companies.

3. All documents or correspondence relating to the Registered Companies, including but not limited to any internal files, notes (whether handwritten or electronic), memoranda, and internal correspondence within or between any divisions of the U.S. Securities and Exchange Commission.

4. All documents or correspondence relating to any of the Registered Company Associates, including but not limited to notes (whether handwritten or electronic), memoranda, and internal correspondence within or between any divisions of the U.S. Securities and Exchange Commission.

5. All correspondence between you and any other governmental agencies relating to any of the Registered Companies or Registered Company Associates.

6. All documents relating to any research conducted on the Registered Companies.

7. All policies or procedures relating to the review and evaluation of registration statements and any amendments thereto.

8. All policies or procedures relating to the decision to grant acceleration of effectiveness of any registration statement.

9. All documents relating to any determination to grant effectiveness or accelerated effectiveness of any registration statements (and any amendments thereto) submitted by the Registered Companies, including but not limited to memoranda relating thereto, signoffs, and orders.

EXHIBIT C

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

In the Matter of)	
)	
DELANEY EQUITY GROUP,)	ADMINISTRATIVE PROCEEDING
LLC, DAVID C. DELANEY,)	File No. 3-17398
AND IAN C. KASS,)	
)	
Respondents.)	
)	

RESPONDENTS DELANEY EQUITY GROUP, LLC AND
DAVID C. DELANEY'S INITIAL WITNESS LIST

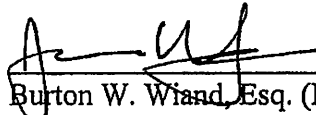
Respondents, Delaney Equity Group, LLC and David Delaney, by and through undersigned counsel and pursuant to the Scheduling Order entered September 22, 2016, respectfully submit this Initial Witness List. Respondents reserve the right to supplement their Witness List in the event they discover the names of additional witnesses.

INITIAL WITNESS LIST

1. David C. Delaney;
2. Keith Feldman;
3. Ian Kass;
4. Juan Ferreira;
5. Alvin Mirman;
6. Ilene Mirman;
7. Daniel McKelvey;
8. Steven Sanders;
9. Edward Sanders;
10. Jamie Mills;
11. Jeffrey Lamson;
12. James Schneider;
13. Christopher Marsh;
14. Danielle Olsen;
15. Brad German;
16. David Johnson;
17. Elise Kristy Travertini;
18. Lisa Lamson;
19. Patrick Yore;
20. Scott Hughes;

21. Tyler Vorhies;
22. William Gaffney;
23. Representative(s) from the Securities and Exchange Commission, including Division of Corporate Finance;
24. Representative(s) from Financial Industry Regulatory Authority;
25. Representative from Lake & Associates, CPA's LLC;
26. Representative from Messineo & Co., CPAs LLC;
27. Representative from Seale & Beers;
28. Representative from Conner & Associates, PC;
29. Representative from Schneider Weinberger & Beilly LLP;
30. Representative from ZS Consulting Group;
31. Representative from Depository Trust & Clearing Company; and
32. Expert Witness(es) to be named.

Respectfully Submitted,



Burton W. Wiand, Esq. (FBN 407690)
Michael S. Lamont, Esq. (FBN 0527122)
Jordan D. Maglich, Esq. (FBN 0086106)
WIAND GUERRA KING, P.A.
5505 West Gray Street
Tampa, Florida 33609
Telephone: (813) 347.5100
Facsimile: (813) 347.5199

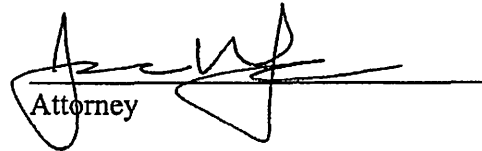
ATTORNEYS FOR RESPONDENTS DELANEY EQUITY
GROUP LLC AND DAVID C. DELANEY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 30th day of September, 2016, a true and correct copy of the foregoing was served on the following parties and other persons entitled to notice as follows:

Russell Koonin
kooninr@sec.gov
Christine Nestor
nestorc@sec.gov
Securities and Exchange
Commission
801 Brickell Avenue, Suite 1800
Miami, FL 33131
Counsel for Division
(By U.S. Mail and Email)

Daniel S. Newman, Esq.
dnewman@broadandcassel.com
Broad & Cassel
2 S. Biscayne Blvd., 21st Floor
Miami, FL 33131
Counsel for Respondent Kass
(Via U.S. Mail and Email)


Attorney