UNITED STATES OF AMERICA Before the SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING File No. 3-21214
IN THE MATTER OF,
JOSHUA ABRAHAMS, CPA,
Respondent.

JOINT STIPULATION TO STAY PROCEEDINGS

July 28, 2023

Stephen T. Kam
Gary Y. Leung
U.S. Securities and Exchange Commission
Division of Enforcement
444 S Flower St
Los Angeles, CA 90071
Counsel for Division of Enforcement

The Division of Enforcement ("**Division**") and Respondent Joshua Abrahams ("**Respondent**") jointly stipulate to stay this proceeding at the conclusion of the fact discovery period on July 31, 2023.

On June 30, 2023, the United States Supreme Court granted the Commission's petition for a writ of certiorari in *SEC v. Jarkesy*, ---S. Ct.---, 2023 WL 4287448 (Mem) (Jun. 30, 2023). The petition raises three questions regarding the Commission's administrative proceedings:

- (a) Whether statutory provisions that empower the Commission to initiate and adjudicate administrative enforcement proceedings seeking civil penalties violate the Seventh Amendment;
- (b) Whether statutory provisions that authorize the Commission to choose to enforce the securities laws through an agency adjudication instead of filing a district court action violate the nondelegation doctrine; and
- (c) Whether Congress violated Article II by granting for-cause removal protection to administrative law judges ("ALJs") in agencies whose heads enjoy for-cause removal protection.

For these reasons, the parties agree that a stay of all deadlines at the conclusion of the discovery period on July 31, 2023 is warranted, pending any decision by the Supreme Court of the issues in *Jarkesy*, or further order of the Commission. In support, the parties state the below.

- 1. On October 21, 2022, the Commission issued an Order Instituting Proceedings pursuant to Section 4C of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 102(e) of the Commission's Rules of Practice ("OIP") against Respondent. On November 17, 2022, the Respondent filed an Answer to the OIP.
- 2. On December 1, 2022, the parties conducted a prehearing conference pursuant to Rule 221 of the Commission's Rules of Practice, 17 C.F.R. § 201.221, stipulating to a proposed case schedule that set the close of fact discovery on May 26, 2023 and a hearing date on November 13, 2023. The Commission did not enter the proposed case schedule.

- 3. On March 27, 2023, the parties jointly proposed an amended case schedule setting the close of fact discovery on July 31, 2023 and a hearing date on January 29, 2024. On April 3, 2023, the Office of the Secretary entered the amended case schedule.
- 4. On April 14, 2023, the Supreme Court issued its decision in *Axon Enter., Inc. v. FTC*, and *SEC v. Cochran*, 143 S. CT. 890 (2023) ("*Cochran*"), holding that the statutory review schemes in the Exchange Act and the FTC Act, 15 U.S.C § 41 *et seq.*, do not displace a district court's federal-question jurisdiction to adjudicate certain constitutional claims.
- On July 3, 2023, counsel for Respondent requested that the Division stipulate to stay proceedings at the conclusion of fact discovery on July 31, 2023 pending the Supreme Court's disposition of *Jarkesy*. The Division consented to the request.

THEREFORE, the Division and Respondent, by and through their undersigned counsel, stipulate and agree that this proceeding be stayed on July 31, 2023 until and including the earlier of 30 days after the Supreme Court decision in *Jarkesy* or July 31, 2024.

DIVISION OF ENFORCEMENT By its Attorneys:

Stephen T. Kam
Gary Y. Leung
Securities and Exchange Commission
444 South Flower Street, Suite 900
Los Angeles, CA 90071

JOSHUA ABRAHAMS, CPA By its Attorneys:

Thomas A. Zaccaro HUESTON HENNIGAN LLP 523 West 6th St, Suite 400 Los Angeles, CA 90014

IT IS SO ORDERED			
Dated:			

PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 444 S. Flower Street, Suite 900, Los Angeles, California 90071 Telephone No. (323) 965-3998; Facsimile No. (213) 443-1904.

On July 28, 2023 I caused to be served the documents entitled: **JOINT STIPULATION TO STAY PROCEEDINGS** on all the parties to this action addressed as stated on the attached service list:

addressed as stated on the attached service list:	on an the parties to this action			
OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.				
□ PERSONAL DEPOSIT IN MAIL envelope(s), which I personally deposited with the envelope was deposited with the U.S. Postal Serwith first class postage thereon fully prepaid.	he U.S. Postal Service. Each such			
EXPRESS U.S. MAIL: Each such facility regularly maintained at the U.S. Postal Seat Los Angeles, California, with Express Mail po	ervice for receipt of Express Mail			
☐ HAND DELIVERY: I caused to be hand the office of the addressee as stated on the attach	d delivered each such envelope to ned service list.			
UNITED PARCEL SERVICE: By placing in sealed envelope(s) designated by United Parcel Service ("UPS") with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.				
► ELECTRONIC MAIL: By transmitting to the electronic mail address as stated on the attraction.	the document by electronic mail ached service list.			
□ E-FILING: By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.				
☐ FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.				
I declare under penalty of perjury that the	foregoing is true and			
<u> </u>	/ Stephen Kam			
STEPH	IEN KAM			

In the Matter of JOSHUA ABRAHAMS, CPA

Administrative Proceeding File No. 3-21214

SERVICE LIST

Pursuant to Commission Rule of Practice 151 (17 C.F.R. 201.151), I certify that the attached:

JOINT STIPULATION TO STAY PROCEEDINGS

was served on July 28, 2023, upon the following parties as follows:

NOT YET ASSIGNED

(By eFAP only)

Administrative Law Judge U.S. Securities and Exchange Commission 100 F. Street, N.E. Washington, DC 20549 alj@sec.gov

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Dated: July 28, 2023

(By electronic email only)