

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-21525

<p>In the Matter of</p> <p>VANIA MAY BELL,</p> <p>Respondent.</p>
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REPLY OF THE DIVISION OF ENFORCEMENT

The Division of Enforcement (“Division”) respectfully submits this reply to the response dated October 19, 2023, (“Resp.”) submitted by Respondent Vania May Bell (“Bell”).¹ For the reasons set forth below, the Division requests that: (1) Bell be deemed in default for not filing an answer that conforms with Rule 220, and that the proceedings be determined on the basis of the allegations in the OIP, which should be deemed true; alternatively, the Commission should set a briefing schedule for the Division’s motion for summary disposition under Rule of Practice 250; and (2) Bell’s motion for a stay be denied.

Procedural Background

Based on the Bell’s criminal conviction and the injunction imposed by the District Court in the parallel SEC case, the Securities and Exchange Commission (“Commission”) initiated this follow-on administrative proceeding on July 11, 2023. The OIP was served on Bell on July 18, 2023, and the Division filed a Proof of Service on August 16, 2023. *See* Exhibit 1. The undersigned Division counsel also spoke with Bell on August 16, 2023, and during this call Bell

¹ The Division received a copy of Bell’s response via email sent by Bell’s daughter on October 22, 2023.

stated that she intended to defend this proceeding but that she has no computer access, among other difficulties, and she asked that this proceeding be adjourned until her release. In a letter to Bell dated August 23, 2023, the Division advised Bell that documents required to be made available under Rule of Practice 230(a)(1) are available for inspection and copying. *See* Exhibit 2.

When Bell did not file an answer to the OIP within 20 days of service, the Commission issued an Order to Show Cause on September 8, 2023 (“OSC”). The OSC ordered Bell to “address the reasons for her failure to timely file an answer” to the OIP; directed Bell to include a “proposed answer” with her response; and “continued indefinitely” the prehearing conference and the hearing. OSC at 1.

Bell’s response did not admit or deny any of the allegations in the OIP. Instead, Bell referenced the District Court action that led to this follow-on proceeding; stated that she “is currently incarcerated”; “unable to afford legal representation”; “does not have the means and resources to represent herself”; and that she is “limited to antiquated and outdated [prison] resources . . . as well as restrained computer technology in order to do electronic filings.” Resp. at 2. Bell also requests that the Commission “waive, adjourn, and/or forgo any hearing . . . until she leaves imprisonment.” *Id.* at 3. Bell’s release date, according to the Bureau of Prisons web site, is July 21, 2028.

Argument

I. Bell Has Not Filed an Answer and is in Default

Under Rule of Practice 155(a)(2), a respondent may be deemed to be in default if the respondent fails to answer the OIP. Rule 220 (c) further provides that “an answer shall specifically admit, deny, or state that the party does not have, and is unable to obtain, sufficient

information to admit or deny each allegation in the [OIP].” Bell’s response does not admit or deny anything in the OIP and, therefore, does not comply with Rule 220(c). As a result, Bell may be deemed to be in default.

When a party defaults, the allegations in the OIP will be deemed to be true and the Commission may determine the proceeding against that party upon consideration of the record without holding a public hearing. The OIP, moreover, states that should Bell fail to file an answer “[she] may be deemed in default and the proceedings may be determined” against her on the basis of the OIP, “the allegations of which may be deemed to be true[.]” OIP § IV.

If Bell’s response is deemed to be an answer, then the Commission should establish a briefing schedule for the Division’s motion for summary disposition under Rule 250. *See, e.g., Donald S. LaGuardia*, Rel. No. 6416, 2023 WL 5956332, n.2 (Sept. 13, 2023) (“Motions for summary disposition may be made under Rule of Practice 250(b) after a respondent's answer has been filed and documents have been made available to the respondent for inspection and copying pursuant to Rule of Practice 230.”).

II. The Request for a Stay Should be Denied

Bell requests that the Commission “waive, adjourn, and/or forgo any hearing” until she is released from prison. The stay request should be denied consistently with Commission practice in these situations. *See, e.g., Sonya D. Camarco*, Rel. No. 6327, 2023 WL 3995194 (June 13, 2023) (“To the extent [respondent’s] letter can be construed as a request for a stay of the proceedings, the request is denied.”); *Bradley C. Reifler*, Rel. No. 6304, 0223 WL 3274687 (May 5, 2023) (denying motion by incarcerated respondent to postpone or adjourn proceeding).

Conclusion

The Division respectfully requests that: (1) Bell be deemed in default for not filing an answer that conforms with Rule 220, and that the proceedings be determined on the basis of the allegations in the OIP, which should be deemed true; alternatively, the Commission should set a briefing schedule for the Division's motion for summary disposition under Rule 250; and (2) Bell's motion for a stay be denied.

Date: November 17, 2023

/s/ David Stoelting

David Stoelting
Senior Trial Counsel
Securities and Exchange Commission
Division of Enforcement
100 Pearl St.
New York, NY 10004
212.336.0174
stoeltingd@sec.gov
Counsel for the Division of Enforcement

CERTIFICATE OF SERVICE

On November 17, 2023, I have caused the attached Notice of Appearance to be served on the following person via UPS overnight delivery to:

Ms. Vania May Bell
Register Number 87059-054
FCI DANBURY
FEDERAL CORRECTIONAL INSTITUTION
ROUTE 37
DANBURY, CT 06811
[Legal Mail]