

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-21790**

**In the Matter of**

**ERIC CHRISTOPHER  
CANNON,**

**Respondent.**

**JOINT STIPULATION TO STAY PROCEEDINGS**

November 14, 2023

Kathryn C. Wanner  
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Securities and Exchange Commission  
Division of Enforcement  
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Counsel for Division of Enforcement

The Division of Enforcement (“Division”) and Respondent Eric Christopher Cannon (“Respondent”) jointly stipulate to stay this proceeding until 30 days after the earlier of the Supreme Court’s decision in *SEC v. Jarkesy*, \_\_\_ S. Ct. \_\_\_, 2023 WL 4287448 (Memo) (June 30, 2023) or July 31, 2024.

### ***Cochran and Jarkesy***

On April 14, 2023, the United States 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 Securities Exchange Act of 1934 [15 U.S.C. § 78a et. seq.] (“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 June 30, 2023, the 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.

### **Procedural Background of This Proceeding**

On October 31, 2023, the Commission issued an Order Instituting Proceedings pursuant to Section 15(b) of the Exchange Act against Respondent.

On November 2, 2023, counsel for Respondent requested that the Division stipulate to stay the proceedings pending the Supreme Court's disposition of *Jarkesy*. The Division consented to that request.

THEREFORE, the parties stipulate and agree to stay this proceeding until 30 days after the earlier of the Supreme Court's decision in *Jarkesy* or July 24, 2024.

DIVISION OF ENFORCEMENT  
By its Attorneys:

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ERIC CHRISTOPHER CANNON  
By his Attorneys:

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515 S. Flower Street, Twenty-Fifth Floor  
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**IT IS SO ORDERED**

Dated: \_\_\_\_\_, 2023

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**In the Matter of Eric Christopher Cannon**  
Administrative Proceeding File No. 3-21790  
**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 November 14, 2023, upon the following parties as follows:

Vanessa Countryman, Secretary  
Securities and Exchange Commission  
100 F. Street, N.E., Mail Stop 1090  
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(By eFAP)

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*Counsel for Eric Christopher Cannon*

(By electronic mail)

Dated: November 14, 2023

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Kathryn C. Wanner