

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-21963

In the Matter of

Joseph Andrew Paul,
Respondent.

**DIVISION OF ENFORCEMENT’S SECOND
MOTION FOR EXTENSION OF TIME TO
RESPOND TO THE ORDER REQUESTING
ADDITIONAL BRIEFING AND MATERIALS**

The Division of Enforcement (the “Division”), pursuant to Commission Rules of Practice (“Rules”) 154(a) [17 C.F.R. § 201.154(a)] and 161(a) [17 C.F.R. § 201.161(a)], respectfully moves the Securities and Exchange Commission (“the Commission”) for a second extension of 21 days to respond to the Order Requesting Additional Briefing and Materials, *Joseph Andrew Paul*, Exch. Act Rel. No. 102406 (Feb. 12, 2025). Under the current Order, the Division’s supplemental brief and exhibits are due April 18, 2025. *Joseph Andrew Paul*, Exch. Act Rel. No. 102684 (March 14, 2025). During the first 21-day extension, the Division successfully moved the district court in the criminal action, *United States v. Ellis, et al.*, No. 2:17-cr-371 (E.D. Pa.) (the “Criminal Action”) to unseal the guilty plea and sentencing hearings of respondent Joseph Andrew Paul (“Paul” or “Respondent”) and worked with the court reporter to have transcripts of those hearings prepared. Counsel for the Division received the transcripts today, April 16, 2025. The Division respectfully requests a second extension of time so that it can include the relevant facts and admissions from Paul’s guilty plea and sentencing hearings in its supplemental brief.

Procedural Background

On June 12, 2024, the Commission issued an order instituting administrative proceedings (“OIP”) against Paul pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940. *Joseph Andrew Paul*, Exch. Act Rel. No. 100323, 2024 WL 2958721 (June 12, 2024). Paul was served with the OIP on July 22, 2024, pursuant to Commission Rule of Practice 141(a)(2)(i). Paul did not file an answer or otherwise appear and defend against the OIP. On September 12, 2024, the Commission issued an Order for Paul to Show Cause as to “why he should not be deemed to be in default and why this proceeding should not be determined against him due to his failure to file an answer or otherwise to defend this proceeding.” *Jospeh Andrew Paul*, Exch. Act. Rel. No. 101002 (Sept. 12, 2024). Paul again failed to respond.

On October 16, 2024, the Division moved for default disposition against Paul and for an order barring him from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, and from participating in an offering of penny stock, based on Respondent’s conviction in Criminal Action and the injunction entered against him in *SEC v. Joseph Andrew Paul, et al.*, No. 2:16-cv-01326-CMR (E.D. Pa.). On February 12, 2025, the Commission issued an Order Requesting Additional Briefing and Materials. *Joseph Andrew Paul*, Exch. Act Rel. No. 102406 (Feb. 12, 2025). The Commission stated that it “would benefit from further development of the evidentiary record—such as materials from the criminal proceeding showing the factual basis of Paul’s guilty plea, like his change-of-plea colloquy or plea agreement....” *Id.* Paul’s guilty plea agreement and his plea and sentencing hearings were under seal and unavailable to the Division.

On March 10, 2025, the Division moved the district court in the Criminal Action to unseal the relevant portions of Paul’s guilty plea agreement and his plea and sentencing hearings. On

March 12, 2025, the Division filed its first motion for an extension of time to allow the district court to rule on its pending motion to unseal. While the Division's motion to unseal was pending, the Commission granted the Division's first motion for an extension of time and ordered that the Division file its supplemental brief and supporting documents by April 18, 2025. *Joseph Andrew Paul*, Exch. Act Rel. No. 102684 (March 14, 2025).

On April 4, 2025, the district court in the Criminal Action granted the Division's motion to unseal. The Division then worked with the court reporter to have the relevant unsealed portions of Paul's plea and sentencing hearings transcribed so that the transcripts can be used in the Division's response and submitted to the Commission. Counsel for the Division received the transcripts today.

Argument

Rule 161(a) provides that "the Commission, at any time, ... may, for good cause shown, extend or shorten any time limits prescribed by these Rules of Practice for the filing of any papers and may, consistent with paragraphs (b) and (c) of this section, postpone or adjourn any hearing." In consideration requests for extensions of time, the Commission considers the following factors:

- (i) The length of the proceeding to date;
- (ii) The number of postponements, adjournments or extensions already granted;
- (iii) The stage of the proceedings at the time of the request;
- (iv) The impact of the request on the hearing officer's ability to complete the proceeding in the time specified by the Commission; and
- (v) Any other such matters as justice may require.

17 C.F.R. § 201.161(b)(1).

In this proceeding, a second 21-day extension of time is necessary and serves the interests of justice. The proceeding is in its early stages and only one prior extension of time has been requested by the Division. Since the Commission requested additional briefing and materials

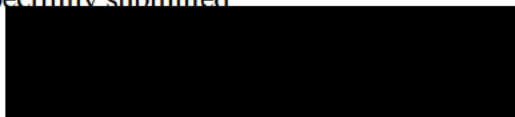
concerning Paul's guilty plea in the Criminal Action in February 2025, the Division filed a motion in the Criminal Action to unseal the relevant documents and docket entries. The district court granted the Division's motion on April 4, 2025. The Division then worked to have relevant portions of Paul's guilty plea and sentencing hearings transcribed so that it can provide those transcripts, which include Paul's admissions, to the Commission. It is in the interest of justice to grant an additional extension of 21 days so that the Division can incorporate the relevant facts and admissions from the transcripts, which the Division received today, in its supplemental brief. The Division respectfully requests that Commission grant this request.

Conclusion

For the reasons set forth above, the Division respectfully requests that the Commission grant the Division's Second Motion and extend the deadline to respond to the Order Requesting Additional Briefing and Materials, *Joseph Andrew Paul*, Exch. Act Rel. No. 102406 (Feb. 12, 2025), for 21 days.

Dated: April 16, 2025

Respectfully submitted,



Karen M. Klotz
U.S. Securities and Exchange Commission
Philadelphia Regional Office
One Penn Center
1617 JFK Blvd., Ste. 520
Philadelphia, PA 19103
(215) 861-9613 (telephone)
(215) 597-2740 (facsimile)
KlotzK@sec.gov
Counsel for the Division of Enforcement

CERTIFICATE OF SERVICE

I hereby certify that, on this 16th day of April, 2025, with respect to In the Matter of Joseph Andrew Paul, Administrative Proceeding File No. 3-21963, I caused a true and correct copy of the Division of Enforcement's Second Motion for Extension of Time to Respond to the Order Requesting Additional Briefing and Materials to be filed by the eFAP system and served on Respondent by U.S. Mail at the following address:

Mr. Joseph Andrew Paul
[REDACTED]
[REDACTED]

Respectfully submitted,

[REDACTED]

Karen M. Klotz
U.S. Securities and Exchange Commission
Philadelphia Regional Office
One Penn Center
1617 JFK Blvd., Ste. 520
Philadelphia, PA 19103
(215) 861-9613 (telephone)
(215) 597-2740 (facsimile)
KlotzK@sec.gov
Counsel for the Division of Enforcement