

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 92827 / August 31, 2021

Admin. Proc. File No. 3-19719

In the Matter of

YANIV AVNON, RAN ARMON, and
G SIX TRADING Y.R LTD.

SUPPLEMENTAL ORDER REGARDING SERVICE

The Securities and Exchange Commission (“Commission”) issued an order instituting administrative proceedings (“OIP”) on February 28, 2020, pursuant to Section 15(b) of the Securities Exchange Act of 1934, against Yaniv Avnon, Ran Armon, and G Six Trading Y.R Ltd.¹ On April 21, 2020, the Division of Enforcement filed a declaration of Barry O’Connell, which stated that electronic service of the OIP was made on Ran Armon on April 21, 2020, consistent with a Commission order concerning electronic service of papers.² On September 21, 2020, the Division filed a declaration indicating that service of the OIP was made on Yaniv Avnon on June 2, 2020, by international service as authorized by the Hague Convention.

On July 13, 2021, we issued an order because there appeared to have been no subsequent filings in the proceeding, including as to whether the OIP was served upon G Six Trading Y.R Ltd (“G Six”).³ We ordered the Division to file a status report concerning service of the OIP on G Six by July 26, 2021, and every 28 days thereafter until service was accomplished.

On July 26, 2021, the Division filed a status report in which it indicated that it had sent the OIP to the Israeli Office of the Legal Advisor, Administration of Courts, as the Central Authority for Israel (the “Central Authority”), in accordance with the Hague Convention. The Division explained that, in doing so, it had sent the Central Authority two sets of service papers: one each for Avnon and G Six. According to the Division, the Central Authority returned a certificate of service on June 7, 2020, in which the English-language portion of the certificate referenced service to Avnon, but not G Six, while the Hebrew-language portion of the certificate

¹ *Yaniv Avnon*, Exchange Act Release No. 88305, 2020 WL 977941 (Feb. 28, 2020).

² *In re: Pending Administrative Proceedings*, Exchange Act Release No. 88415, 2020 WL 1322001 (Mar. 18, 2020).

³ *Yaniv Avnon*, Exchange Act Release No. 92385, 2021 WL 2953527 (July 13, 2021).

referenced both respondents. The Division represented that it “sought further clarification from the Central Authority . . . as to whether any additional steps with respect to service have been taken since June 7, 2020.” The Division also asserted that, “[b]ecause SEC Rule of Practice 141(a)(2)(ii) requires service of entities through authorized agents and because Avnon—G Six’s sole shareholder and sole director—has been served, service upon G Six has been accomplished, even absent any further steps by the Central Authority.”⁴ The Division stated that it intended to file a declaration of service concerning G Six after it received the requested clarification.

On August 23, 2021, the Division filed a second status report in which it indicated that the Central Authority had not responded to multiple attempts to contact it. Although the Division attached papers from the Central Authority, the English-language portion of those documents reference an attempt to serve Avnon only. And although the papers include the handwritten words “G Six Trading Y.R Ltd” in a Hebrew-language portion, the Division did not provide an English translation in order to understand in what context G Six is mentioned.

In any case the Division again asserted that, “[b]ecause SEC Rule of Practice 141(a)(2)(ii) requires service of entities through authorized agents and because Avnon—G Six’s sole shareholder and sole director—has been served, service upon G Six has been accomplished, even absent any further steps by the Central Authority.” But the Division does not explain why service under Rule 141(a)(2)(ii) is an appropriate method of serving a corporation in Israel.⁵

Even assuming that Rule 141(a)(2)(ii) is an appropriate method of service for serving a corporation in Israel, the Division fails to explain how it determined that it had properly served G Six under that provision. For example, the Division does not support its statement that Avnon is currently G Six’s sole shareholder and sole director. The Division also fails to support the assertion that Avnon’s alleged status as G Six’s sole shareholder and director qualifies under Rule 141(a)(2)(ii) as one of the persons through whom a corporation may be served under that provision: namely, as “an officer, managing or general agent, or any other agent authorized by appointment or law to receive [notice of the OIP.]”⁶ Nor does the Division explain why serving Avnon through a means authorized by the Hague Convention satisfies the provision in Rule 141(a)(2)(ii) that service of a corporation can be accomplished by serving those officers or agents through one of the delivery means specified in Rule 141(a)(2)(i).⁷

⁴ 17 C.F.R. § 201.141(a)(2)(ii).

⁵ *See id.* § 201.141(a)(2)(iv) (providing that service may be made upon corporations or entities in a foreign country by “[a]ny method specified in” Rule 141(a)(2)(ii) “that is not prohibited by the law of the foreign country”).

⁶ *Id.* § 201.141(a)(2)(ii).

⁷ *Id.*; *see also Id.* § 201.141(a)(2)(i).

Under the circumstances, there is an absence of information necessary to confirm that service of the OIP on G Six has been properly made.

Accordingly, IT IS ORDERED that by September 28, 2021, and every 28 days thereafter until service is accomplished, the Division of Enforcement shall file a declaration or status report providing additional information regarding its efforts to effect service of the OIP on G Six, including an explanation of why any service effected is valid under Rule 141.

The parties' attention is directed to the most recent amendments to the Commission's Rules of Practice, which took effect on April 12, 2021, and which include new e-filing requirements.⁸

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Vanessa A. Countryman
Secretary

⁸ *Amendments to the Commission's Rules of Practice*, Exchange Act Release No. 90442, 2020 WL 7013370 (Nov. 17, 2020), 85 Fed. Reg. 86,464, 86,474 (Dec. 30, 2020), <https://www.sec.gov/rules/final/2020/34-90442a.pdf>; *Instructions for Electronic Filing and Service of Documents in SEC Administrative Proceedings and Technical Specifications*, <https://www.sec.gov/efapdocs/instructions.pdf>. The amendments impose other obligations such as a new redaction and omission of sensitive personal information requirement. *Amendments to the Commission's Rules of Practice*, 85 Fed. Reg. at 86,465-81.