

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 95629 / August 29, 2022

Admin. Proc. File No. 3-19719

In the Matter of

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

ORDER GRANTING MOTION TO INTERVENE AND STAY PROCEEDINGS

On February 28, 2020, the Commission issued an order instituting administrative proceedings (“OIP”) against Yaniv Avnon pursuant to Section 15(b) of the Securities Exchange Act of 1934.¹ On April 4, 2022, the Commission issued an order requiring Avnon to show cause by April 18, 2022, 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 to otherwise defend the proceeding.² On May 16, 2022, after Avnon failed to respond, the Division of Enforcement filed a motion for default and imposition of sanctions. On June 16, 2022, we requested that the Division submit a brief and any additional evidentiary materials that it deemed relevant to its motion and determination of the public interest. The United States Attorney for the District of New Jersey (the “U.S. Attorney”) subsequently filed the instant unopposed motion to intervene in this proceeding and to stay the proceeding pending disposition of a parallel criminal proceeding, *United States v. Avnon*, No. 2:17cr174 (D.N.J.).

Rule of Practice 210 provides that we may grant an authorized representative of a U.S. Attorney leave to participate on a limited basis “for the purpose of requesting a stay during the pendency of a criminal investigation or prosecution arising out of the same or similar facts that are at issue in the pending Commission enforcement or disciplinary proceeding” and that a motion for stay “shall be favored” upon a showing that it is in the public interest or for the

¹ *Yaniv Avnon*, Exchange Act Release No. 88305, 2020 WL 977941 (Feb. 28, 2020). The OIP also instituted proceedings against Ran Armon, who previously settled with the Commission, and against G Six Trading Y.R Ltd., as to which the Commission dismissed the proceedings. *Yaniv Avnon*, Exchange Act Release No. 94147, 2022 WL 343451 (Feb. 3, 2022) (dismissing proceedings as to G Six Trading Y.R Ltd.); *Yaniv Avnon*, Exchange Act Release No. 93932, 2022 WL 73842 (Jan. 7, 2022) (accepting offer of settlement as to Ran Armon).

² *Yaniv Avnon*, Exchange Act Release No. 94598, 2022 WL 1014834 (Apr. 4, 2022).

protection of investors.³ Federal courts have similarly recognized that civil or administrative proceedings may be stayed pending resolution of parallel criminal proceedings where justice requires.⁴

Here, the U.S. Attorney represents that this proceeding “focuses on precisely the same conduct that is the subject of the criminal case.” If the administrative proceeding is not stayed, the U.S. Attorney argues, the Division may “need testimony and/or affidavits from many of the same individuals who are prospective trial witnesses in the criminal proceeding, thus giving Respondent [a] preview of potential testimony in the criminal case.”

We find no reason that a delay would prejudice Avnon, particularly given that he has not appeared or otherwise participated in this proceeding. We accordingly find that it is in the public interest to grant the U.S. Attorney’s motion.⁵ Accordingly, it is ORDERED that the U.S. Attorney’s request for leave to intervene for the purpose of requesting a stay is granted. It is further ORDERED that this administrative proceeding is hereby stayed. It is further ORDERED that in 90 days, and every 90 days thereafter, the U.S. Attorney shall file a report with the Commission concerning the status of the prosecution in *United States v. Avnon*, No. 2:17cr174 (D.N.J.), and the continued appropriateness of the stay of this matter.

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

Vanessa A. Countryman
Secretary

³ 17 C.F.R. § 201.210(c)(3).

⁴ See, e.g., *United States v. Kordel*, 397 U.S. 1, 12 n.27 (1970) (noting that civil proceedings may be deferred pending resolution of parallel criminal prosecutions when justice requires); *SEC v. Chestman*, 861 F.2d 49, 50 (2d Cir. 1988) (per curiam) (“The government had a discernable interest ... to prevent discovery in the civil case from being used to circumvent the more limited scope of discovery in the criminal matter.”); *In re Ivan F. Boesky Sec. Litig.*, 128 F.R.D. 47 (S.D.N.Y. 1989) (deferring certain civil discovery where there was a parallel criminal prosecution involving the same subject matter).

⁵ On August 25, 2022, the Division filed a motion for an extension of time in which to respond to the Commission’s request for additional briefing and materials, pending the Commission’s resolution of the U.S. Attorney’s motion. We deny the Division’s motion as moot.