

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6257 / March 10, 2023

Admin. Proc. File No. 3-21098

In the Matters of

GREGORY M. GREENDA

ORDER REQUESTING BRIEFS

The Securities and Exchange Commission issued an order instituting administrative proceedings (“OIP”) on September 16, 2022, pursuant to Section 203(f) of the Investment Advisers Act of 1940, against Gregory M. Grenda.¹ On the same day that the OIP was issued, the Commission issued an OIP in a separate proceeding against Grenda Group, LLC (“Grenda Group”), also pursuant to Exchange Act Section 15(b).² According to the OIPs, both Grenda and Grenda Group had final judgments entered against them on August 26, 2022, in the same civil action entitled *United States Securities and Exchange Commission v. Grenda Group, LLC, et al.*, Civil Action Number 1:18-CV-00954-CCR, in the United States District Court for the Western District of New York.

The OIPs alleged that the final judgments permanently enjoined Grenda and Grenda Group from future violations of Advisers Act Sections 203(f), 206(1), and 206(2). According to the OIPs, the complaint in the civil action alleged that Grenda and Grenda Group permitted Grenda’s father, who had been barred by the Commission from association with an investment adviser, to associate with Grenda Group, failed to disclose Grenda’s father’s bar to Grenda Group’s clients, and failed to disclose material facts about the termination of Grenda Group’s relationship with its custodial broker-dealer. The OIPs instituted administrative proceedings to determine whether the above allegations are true and whether any remedial action is in the public interest. On February 28, 2023, Grenda and Grenda Group filed separate, but substantially identical, answers to the OIPs.

Commission Rule of Practice 201(a) provides that the Commission may consolidate for hearing “proceedings involving a common question of law or fact,” and that consolidation “shall not prejudice any rights under the[] Rules of Practice and shall not affect the right of any party to

¹ *Gregory M. Grenda*, Advisers Act Release No. 6131, 2022 WL 4288988 (Sept. 16, 2022).

² *Grenda Group, LLC*, Advisers Act Release No. 6130, 2022 WL 4288986 (Sept. 16, 2022).

raise issues that could have been raised if consolidation had not occurred.”³ It appears that consolidation of the proceedings against Grenda and Grenda Group would satisfy Rule 201(a) and promote efficiencies. But the Commission would be aided by the views of the parties on whether it is appropriate to consolidate the proceedings against Grenda and Grenda Group.

Accordingly, IT IS ORDERED that the parties shall file briefs, or a joint brief, not to exceed 2,500 words, concerning the appropriateness of consolidation by March 24, 2023. It is further ORDERED that, if separate opening briefs are filed, the parties may file simultaneous reply briefs, not to exceed 2,000 words, by April 7, 2023.

The parties’ attention is directed to the e-filing requirements in the Rules of Practice.⁴

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

Vanessa A. Countryman
Secretary

³ 17 C.F.R. § 201.201(a).

⁴ *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.