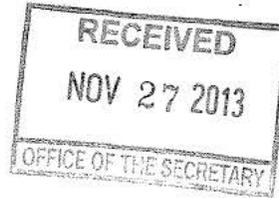


THE UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. _____ November 14, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15445



In the Matter of	!	VERIFIED ANSWER TO ORDER INSTI
HAUSMANN-ALAIN BANET	!	TUTING PROCEEDINGS PERSUANT TO
Pro Se Respondent.	!	SECTION 203(f) OF THE INVEST
	!	MENT ADVISERS ACT OF 1940 AND
	!	CROSS MOTION FOR DISPOSITION
	!	
	!	
	!	

AND NOW, Comes HAUSMANN-ALAIN BANET, Respondent in Pro Se, and files the following verified answer to the "Order Instituting Proceedings (OIP) and Cross-Motion For Disposition" file in this Civil action by the United States Securities and Exchange Commission.

I.

Responding to the numbered paragraphs in the OIP as required by applicable rules, and without waiving the forgoing defenses or any related defense:

1. To the extent that Paragraph I of the OIP is a statement of the statues under which the United States Securities and Commission purports to proceed, it does not contain an allegation requiring admission or denial. To the extent that Paragraph I of the OIP is an allegation that this action is properly brought uder any statute or that there is juris-diction, it is denied in all respects. All other allegation including allegations concerning seizure and the location of the "Respondent assets", are denied.

STATEMENT OF FACTS

On August 28, 2013, the United States Securities and Exchange Commission issued an Order Instituting Proceedings (OIP) pursuant to Section 203(f) of the Investment Advisers Act of 1940. A hearing was scheduled on September 30, 2013 without Respondent being properly served.

On September 17, 2013, the Division of Enforcement filed a response to Order Scheduling Hearing and Designating Presiding Judge without Respondent being properly served.

On October 28, 2013, at around 10:30 am EDT, Respondent was informed by the Director of Reeves County Detention Center where Respondent is currently in detention, that a judge was on the phone for a conference call with Respondent.

Although surprised by this telephonic conference call, Respondent rushed to the office of the prison Director. There, Respondent found that indeed, Judge Cameron Elliot and an SEC trial counsel were already on the call, waiting for Respondent to join. After an introductory statement by Judge Elliot, Respondent was quickly brought to speed. Thus, informed of the basics pertaining to an ongoing proceedings regarding Respondent and in accordance with the Commission's Rules of Practice. Respondent was then informed that the call was a prehearing telephonic conference.

On October 2nd, 2012, Respondent was indicted by the U.S. Government in the Northern District of California; alleging Fraud, Money Laundry, Mail Fraud, and Wire Fraud.

On October 3rd, 2012, Respondent was arrested and charged with Fraud, Money Laundry, Mail Fraud, and Wire Fraud. The same day, Respondent was presented before a U.S. District Magistrate Judge for arraignment.

During the arraignment hearing, U.S. Magistrate Judge Joseph Spero ordered Respondent's release on bail backed by his condo located in San Francisco Nob Hill. Respondent posted the full amount of the bail three days later. In fact, Judge Spero who appears also to be the judge who had signed Respondent's indictment, stated on the Court record: "...Mr. Banet, you have a very complicated case and you not want to be in detention while fighting it."

Even though Respondent has posted the required bail in full, Respondent has never been release; and had remained unjustly in custody until his sentencing date; and evr since. Worse, and for no apparent reason, Respondent stayed in incarceration from October 3rd, 2012 until September 29, 2013 in the Isolation Unit of North County Jail in Oakland, California. Respondent was on pretrial, but yet, was housed in a unit with convicted murderes, child molerters. Respondent is only able to get out of 4 by 4 cell once every three days for only an hour of shower, telephone call and dayroom time; an hour for all these and once very three days. The solitary confinement unit of North County Jail in Oakland California is one of the most dangerous isolation units in the country; housing some of the most dangerous convicted criminals. Respondent will remain in solitary confinement for a total of one year, one month and twenty-six days. Therefore, violating Respondent's Constitution rights and the very basics of human rights and dignity.

Respondent was only taken out of solitary confinement two months after Respondent pled guilty on the third deal offered by prosecution. After the August 6th, 2013 guilty plea deal, Respondent was sent to Reeves County Detention Center in Pecos, Texas.

From October 3rd, 2012 to September 29nd, 2013, Respondent was not only unhumanly emprisoned in a solitary confinement where he is allowed to talk to other human being once every three days, but also deprived from access to basic writing materials such as pen and paper. Not to mention the jail's inability to provide law library acces right to pre-trial defendents inmates such as Respondent.

Today, Respondent is emprisoned at almost similar conditions at Reeves County Detention Center here in Pecos, Texas when every one including the U.S. District Court of Norther California, the U.S. Bureau of Prisons, and the United States Securities and Exchange Commission knew that Respondent is still facing Civil cases charges.

Furthermore, Reeves Dentention Center in Pecos, Texas is not a regular U.S. Bureau of Prisons institution. It is rather a private prison owned and operated by the Geo Group under contract with the U.S. Bureau of Prisons. This prison is unfortunately not equiped with the minimum adequate law library and legal materials for Respondent to be able to fight his ongoing civil cases. In fact, the law library of Reeves County Detention Center wher Respondent is currently an inmate, has only one (1) computer for a total population of 1,260 inmates. Furthermore, the library can only accomadate twenty-six (26) inmates of the 1,260. Therefore, making this private prison unsuitable for Respondent who is still litigating civil cases that are directly or indirectly related to Respondent's criminal case.

This private prison does not have one single legal material for Civil cases references, but yet, the U.S. Bureau of Prisons sent Respondent there to serve his time for the criminal conviction.

It is therefore Respondent's hope that, the U.S. Bureau of Prisons, who has been served with this Verified Answer of the OIP and Cross-Motion For Disposition, would take the necessary action to quickly correct this mistake and transfer Respondent to a regular U.S. Bureau of Prisons institution with the required legal materials as soon as possible. In fact, the U.S. Bureau of Prisons has been listed on the Service Process List here on attachment as an "Interested Party" entitled to notice.

CONCLUSION

Based on the foregoing facts and authorities, Respondent moves that, and awaiting for a compelling argumentation venue in accordance with the Commission's Rules of Practice, this Honorable Court to allow more time to the U.S. Bureau of Prisons to transfer Respondent to a more suitable BOP institution.

Based on the foregoing facts, Respondent respectfully urged also Your Honor to set aside the Plaintiff's Complaint because it not only clearly failed to meet Proper Service Process requirements. Based on the foregoing facts, and as a Pro Se Respondent, and in detention at an unsuitable BOP institution which lacked access to the minimum law library material as required by the United States Constitution to adequately prosecute the foregoing Complaint.

Respondent hereby intent to defend his innocence by providing at trial, to this Honorable Court, the evidence to which the Commission is objecting through its OIP. It is Respondent's intention to connect this testimony as to which Respondent and others have witnessed and will testify at a proper venue.

Wherefore, Respondent prays that the Court grant Respondent relief to which Respondent may be entitled in this Proceeding.

Jury Demand

Respondent demand full prosecution of this Civil Action Proceedings and trial by jury.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: NOVEMBER 14, 2013

Respectfully Submitted,



Hausmann Alain Banet, Respondent in Pro Se



VERIFICATION

Hausmann-Alain Banet, being first duly sworn, on oath deposes and says that he is over 18 years old and the lawful Respondent in Pro Se, that he has read the foregoing OIP, knows the contents thereof, that he has answer the OIP and has provide the Cross-Motion to the best of his knowledge, and that the same are true and correct.

A handwritten signature in dark ink, appearing to read 'Hausmann Alain Banet', is written over a horizontal line. The signature is somewhat stylized and spans across the width of the line.

HAUSMANN ALAIN BANET, Respondent in Pro Se