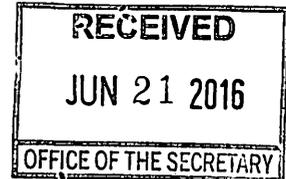


**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16949**

**In the Matter of**  
  
**Sandip Shah,**  
  
**Respondent.**



**DIVISION OF ENFORCEMENT'S STATUS REPORT**

The Division of Enforcement (“Division”) hereby provides a status report in this matter regarding a proposed route to resolving the matter that has been agreed to by the parties. On May 31, 2016 the Court issued a Prehearing Order that granted the Division of Enforcement leave, pursuant to Rule 250, to file a motion for summary disposition according to a schedule the Division had requested in an earlier status report. Pursuant to that request, and the Court’s Order, the Division’s motion is scheduled to be filed on June 24, with Mr. Shah’s opposition due on July 8.

Counsel for the Division and Respondent, Sandip Shah, have had several communications since the Court’s May 31 Order. Throughout the case, Mr. Shah has proceeded *pro se*. After an exchange of proposals, the Division and Mr. Shah have agreed on an approach for resolving this matter. The parties have agreed that the primary issue in the case is that of sanctions. Therefore, the parties will enter into a stipulation regarding liability. In it, Mr. Shah will stipulate on the record that he is liable for the violations alleged in the Order Instituting Proceedings in this matter (OIP). As part of

that stipulation the Division and Mr. Shah have agreed to correct certain dollar amounts and dates referenced in the OIP.

The parties do not agree on the issue of sanctions. Therefore, the Division and Mr. Shah propose that they submit briefing to the Court solely on the issue of sanctions. The Division will argue for imposition of a permanent penny stock bar. Mr. Shah will argue for no penny stock bar and/or a bar that is time limited. The parties propose that the briefing schedule regarding sanctions remain the same as the schedule currently in place for summary disposition, with the Division filing its brief on June 24 and Mr. Shah filing his by July 8.

In addition, Mr. Shah has requested, and the Division supports the request, that the Court hear oral argument on the issue of sanctions. The parties have agreed that the oral argument would be conducted by telephone conference on a date to be set by the Court. Finally, the parties estimate that such a hearing would take approximately 1 hour.

Dated: June 21, 2016

Respectfully submitted,

DIVISION OF ENFORCEMENT

//s// Martin F. Healey

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Martin F. Healey  
Regional Trial Counsel  
Securities and Exchange Commission  
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**CERTIFICATE OF SERVICE**

I hereby certify that true copies of the Division of Enforcement's Status Report was served on the following on this 21st day of June, 2016, in the manner indicated below:

**By Electronic Mail**

The Honorable Carol Fox Foelak  
Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**By Overnight Mail:**

Sandip Shah, [REDACTED]  
[REDACTED]  
P.O. Box 8000  
Sheridan OR 97378

//s// Martin F. Healey

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Martin F. Healey