I.

The Chief Administrative Law Judge, Brenda P. Murray, has moved, pursuant to Commission Rule of Practice 360(a)(3), for an extension of time to issue an initial decision in this proceeding. For the reasons set forth below, we have determined to grant the law judge's motion.

On January 14, 2011, we issued an Order Instituting Administrative and Cease-and-Desist Proceedings ("OIP") against Michael R. Pelosi, formerly a vice president and portfolio manager of Halsey Associates, Inc., a registered investment adviser. The OIP alleges that Pelosi knowingly or recklessly misrepresented account performance returns to his investment advisory clients in quarterly and annual correspondence by exaggerating account gains and minimizing losses in violation of antifraud provisions of the Investment Advisers Act of 1940. According to the OIP, "Pelosi's performance returns varied significantly from the true performance returns calculated by Halsey."

The OIP directs the presiding law judge to hold a public hearing to take evidence regarding the allegations and the appropriate sanctions, and to issue an initial decision no later than 300 days from the date of service of the OIP, i.e., by November 21, 2011. On

---

1. 17 C.F.R. § 201.360(a)(3).
2. Specifically, the OIP alleges violations of Advisers Act Sections 206(1) and 206(2). 15 U.S.C. § 80b-6(1), (2).
September 28, 2011, Judge Murray filed a motion pursuant to Commission Rule of Practice 360(a)(3) requesting an extension of time of forty-five days to issue such decision.

II.

We adopted Rules of Practice 360(a)(2) and 360(a)(3) as part of an effort to enhance the timely and efficient adjudication and disposition of Commission administrative proceedings, setting mandatory deadlines for completion of administrative hearings. We further provided for the granting of extensions to those deadlines under certain circumstances, if supported by a motion from the Chief Administrative Law Judge.

Judge Murray supports her extension request by stating that, "[l]ast weekend, the law clerk assigned to [the case] . . . had an accident in which he broke his right elbow." She further states that "[t]he law clerk has been assigned to the case for some time and has almost completed his analysis of the evidentiary record; however, as a result of the accident, he cannot use his right hand for several weeks." Judge Murray concludes that "[i]t would not expedite matters to reassign the case to another law clerk because that person would have to spend considerable time becoming familiar with a substantial evidentiary record." Under the circumstances, it appears appropriate in the public interest to grant the Chief Law Judge's request and to extend the deadline for issuance of a decision in this matter.

Accordingly, IT IS ORDERED that the deadline for filing the initial decision in this matter be, and it hereby is, extended until January 5, 2012.

By the Commission.

Elizabeth M. Murphy
Secretary

3 17 C.F.R. § 201.360(a)(3).
4 See Adopting Release, Securities Act Rel. No. 8240 (June 11, 2003), 80 SEC Docket 1463.
5 While we intend to grant extensions sparingly, we may authorize an extension on the basis of the Chief Administrative Law Judge's motion, if we determine that "additional time is necessary or appropriate in the public interest." 17 C.F.R. § 201.360(a)(3).