

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION
October 27, 2016

SECURITIES ACT OF 1933
Release No. 10240 / October 27, 2016

SECURITIES ACT OF 1934
Release No. 79177 / October 27, 2016

INVESTMENT COMPANY ACT OF 1940
Release No. 32341 / October 27, 2016

ADMINISTRATIVE PROCEEDING
File Nos. 3-16227, 3-16229

In the Matter of
Gregory Osborn

ORDER SCHEDULING BRIEFS

On October 31, 2014, the Commission issued an order (“Order”) finding that Gregory Osborn willfully violated, and willfully aided and abetted and caused violations of, antifraud provisions of the federal securities laws.¹ The Order imposed industrywide and penny stock bars upon Osborn and ordered additional proceedings “to determine what, if any, disgorgement, civil penalties, and prejudgment interest are appropriate.”² Osborn consented to the Order.³

¹ *Gregory Osborn*, Exchange Act Release No. 73486, 2014 WL 5493275 (Oct. 31, 2014).

² *Id.* The Order imposed the following bars: (i) from association with any broker, dealer, investment adviser, municipal securities dealer, municipal adviser, transfer agent, or nationally recognized statistical rating organization; (ii) from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and (iii) from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock. *Id.*

³ The administrative law judge presiding over the additional proceedings stayed them for over a year and a half at the request of the U.S. Attorney for the Southern District of New York. *Gregory Osborn*, Admin. Proc. Rulings Release No. 3899 (ALJ June 7, 2016) (order lifting stay); *Gregory Osborn*, Admin. Proc. Rulings Release No. 2094 (ALJ Dec. 4, 2014) (order granting stay). No disgorgement or civil penalties have yet been imposed upon Osborn.

On September 27, 2016, Osborn submitted a request to “reduce the [bars] to ‘time served’ or 3 years.”⁴ The administrative law judge presiding over the additional proceedings construed this request “as one directed solely to the Commission” because he lacked the authority to grant the relief Osborne sought. In his order, the ALJ stated that he “forwarded a copy of the request to the Office of the Secretary for filing.” On October 3, 2016, the Division of Enforcement filed a letter stating that it “opposes any request to modify Osborn’s bars.” The Division also requested an opportunity to file papers in opposition.

Accordingly, IT IS ORDERED that the Division of Enforcement file a brief in opposition not to exceed 7,000 words by November 10, 2016, and Osborn file a reply brief not to exceed 7,000 words by November 28, 2016.⁵

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

Brent J. Fields
Secretary

⁴ Although Osborn also requested a reduction of “the additional penalties placed on [him],” no disgorgement or civil penalties have been imposed yet. Accordingly, we construe Osborn’s request as a request to modify or vacate the bars imposed upon him.

⁵ We call attention to the form and service requirements of the Commission’s Rules of Practice, 17 C.F.R. §§ 201.150 – 154. Requests for extensions of time to file briefs are disfavored.