

ALJ

ADMINISTRATIVE PROCEEDING
FILE NO. 3-11084

SECURITIES & EXCHANGE COMMISSION
MAILED FOR SERVICE

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
January 9, 2004

JAN 12 2004

FIRST CLASS

In the Matter of	:	
	:	ORDER
HARRISON SECURITIES, INC.,	:	
FREDERICK C. BLUMER,	:	
and NEBRISSA SONG	:	
	:	
	:	

The hearing in this matter is scheduled to begin on January 20, 2004, in New York City. The hearing has already been postponed once, over the objection of the Division of Enforcement (Division).

Background

I first directed Respondents to provide a list of their proposed hearing exhibits by August 29, 2003 (Order of June 30, 2003). After the hearing was rescheduled, I directed all Respondents to file and serve updated lists of proposed exhibits by December 15, 2003 (Order of October 9, 2003).

At a prehearing conference on December 17, 2003, the Division objected to Respondents' proposed exhibit lists on the grounds that the lists lacked specificity. I agreed with the Division that the lists, in many instances, identified only categories of documents, rather than specific documents. I also agreed that the lack of specificity prejudiced the Division. After discussion, the parties agreed that the Division would promptly send letters to Respondents, identifying all the documents or categories of documents that it did not possess. Respondents were required to send the Division copies of all requested documents and categories of documents within two weeks after receiving the Division's letter.

The Division sent its letters to Respondents on December 19, 2003, requesting them to provide information and/or specific documents relating to items or categories of items identified in their proposed exhibit lists. As agreed at the prehearing conference, all responsive materials should have been in the Division's hands no later than January 2, 2004.

Nothing in the record demonstrates that counsel for Nebrissa Song (Song) has ever replied to the Division's letter of December 19, 2003.

Counsel for Harrison Securities, Inc. (Harrison) and Frederick C. Blumer (Blumer) sent a six-page letter to the Division on January 5, 2004 (received by the Division and by this Office on January 6, 2004). Counsel explained that his response was tardy because he had been ill during the two-week interval allowed for production. Counsel offered the Division "as complete a response as I am able to do at this point in time." He further stated: "I have significantly reduced the documents under consideration as possible exhibits," but "our preparation for the hearing in this matter is not complete." Counsel also stated that he planned to meet with Blumer from January 9 through January 12, 2004. He concluded: "After this meeting, our defense should be finalized and I will provide you with any additional documents that we deem necessary to our defense at that time."

The Division was not satisfied with this response. On January 7, 2004, the Division requested that I order Respondents to provide it with "a complete and specific exhibit list" no later than 12:00 noon on January 12, 2004. The Division also asked me to direct Respondents to produce all proposed exhibits not in the Division's possession by that same deadline.

Later that same day, Harrison and Blumer responded to the Division's letter with what was essentially a counter-offer. Counsel for Harrison and Blumer stated: "At the present time, I do not know of any additional documents that I will be using but I do need to reserve the right to do so." Counsel "expect[ed]" to send the Division copies of any additional documents that Harrison and Blumer might desire to use as exhibits by overnight courier on January 14, 2004, for delivery on January 15, 2004.

Discussion

The Division's request for "a complete and specific exhibit list" is reasonable, and no Respondent has opposed it. The Division's request for the production of all proposed exhibits not yet in its possession is also reasonable. In light of the fact that Blumer and his attorney are meeting from January 9 through January 12, 2004, I will give those two Respondents a few more days to provide any necessary documents to the Division.

Respondents are reminded of the provisions of Rules 180(b) and (c) of the Securities and Exchange Commission's Rules of Practice. Rule 180(b) provides that a hearing officer may reject, in whole or in part, any filing that fails to comply with any order issued in the proceeding. That Rule also permits a hearing officer to direct a party to cure any deficiencies and to resubmit the filing within a fixed period of time. Rule 180(c) provides that a hearing officer may enter a default, decide the particular matter at issue against a person, prohibit the introduction of evidence, or exclude

testimony concerning a matter if the person fails to cure a deficient filing within the time specified by the hearing officer pursuant to Rule 180(b).

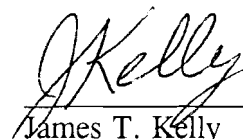
I find that the proposed exhibit list filed by Respondents Harrison and Blumer on December 15, 2003, is deficient for the reasons specified in my Order of December 18, 2003. While Harrison and Blumer have partially cured the deficiencies, they are not yet in full compliance with my Order of October 9, 2003. I further find that Respondent Song has failed to comply with my Order of December 18, 2003, insofar as she has not made production in response to the Division's letter. Respondents will be given one final opportunity to cure these deficiencies before the start of the hearing.

Order

IT IS ORDERED THAT, on or before 5:00 p.m. Eastern time on January 13, 2004, Respondent Song must provide the Division of Enforcement with all materials requested in the Division's letter of December 19, 2003, or an explanation of why such materials will not be produced. All such materials must be in the Division's hands, not simply deposited in the mail, by this deadline.

IT IS FURTHER ORDERED THAT, on or before 5:00 p.m. Eastern time on January 15, 2004, all three Respondents must provide the Division of Enforcement and this Office with complete and specific exhibit lists. Individual documents must be separately numbered and described with enough detail to permit the Division to identify each item without difficulty. Categories of documents shall not be permitted. If Respondent Song intends to join in the exhibit list submitted by Respondents Harrison and Blumer, she must so state. If Respondent Song wishes to submit a proposed exhibit list that differs from the proposed exhibit list submitted by Respondents Harrison and Blumer, she may do so. Respondents shall consult with each other in advance of the deadline to avoid duplication of proposed exhibits. If Song provides a separate list, she must use exhibit numbers that do not duplicate the exhibit numbers used by Harrison and Blumer.

IT IS FURTHER ORDERED THAT, on or before 5:00 p.m. Eastern time on January 15, 2004, Respondents Harrison and Blumer shall provide the Division of Enforcement with copies of any documents, not already in the Division's possession, that they propose to offer as hearing exhibits. All such materials must be in the Division's hands, not simply deposited in the mail, by this deadline.



James T. Kelly
Administrative Law Judge