

ALJ

ADMINISTRATIVE PROCEEDING  
FILE NO. 3-10768

SECURITIES & EXCHANGE COMMISSION  
MAILED FOR SERVICE

JUN 13 2002

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
June 11, 2002

CTFD. NO. 751-1250-1

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In the Matter of	:	PREHEARING ORDER GRANTING
	:	MOTION TO POSTPONE HEARING,
	:	DENYING MOTION TO STRIKE,
	:	DENYING MOTION FOR DEFAULT
HIGHTEC, INC.	:	JUDGMENT, DENYING REQUEST
	:	FOR LEAVE TO FILE MOTION FOR
	:	SUMMARY DISPOSITION, AND
	:	ORDERING RESPONDENT TO FILE AN
	:	AMENDED ANSWER

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The Securities and Exchange Commission ("Commission") initiated this administrative proceeding with an Order Instituting Proceeding ("OIP") on April 25, 2002. On April 29, 2002, an Order Scheduling Hearing and Designating Presiding Judge was issued, which ordered the hearing in this matter commence on June 17, 2002.

On May 24, 2002, Respondent filed its Response to Order Scheduling Hearing ("Answer"), stating that it had applied to reinstate its corporate charter; paid its overdue taxes; planned to bring its corporate filings current; reached an agreement to sell the company; and planned to send a representative and legal counsel to appear at the hearing. On June 4, 2002, the Division of Enforcement ("Division") filed a Motion to Strike Answer and for Default Judgment, or in the Alternative, For Leave to File Motion For Summary Disposition, and Motion for Summary Disposition ("Motion to Strike"). The Division requests that I strike the Answer, find Respondent in default, find the allegations in the OIP to be true, and determine the proceedings against Respondent. In the alternative, the Division requests that I treat the Motion to Strike as a motion for summary disposition pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250.

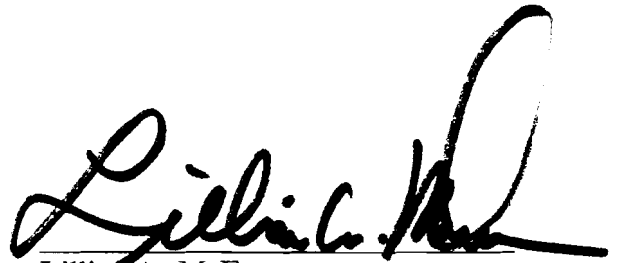
The Division argues that as a matter of law, Respondent can only appear in the instant proceeding through counsel. Because the Answer was submitted by Respondent's president rather than an attorney acting on Respondent's behalf, the Division argues that the Answer is deficient, must be stricken, and a default entered against Respondent. As is clearly stated in Rule 102(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.102(b), "a bona fide officer of a corporation, trust or association may represent the corporation, trust or association." Therefore, the Motion to Strike is hereby DENIED. The Answer will remain part of the record

of this proceeding. However, Respondent is hereby ORDERED to file an amended answer by June 21, 2002, that fully complies with the requirements of Rule 220(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.220(c). To the extent the Motion to Strike requests treatment as a motion for default pursuant to Rules 155 and 220(f) of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155, .220(f), or as a request to file a motion for summary disposition pursuant to Rule 250(a) of the Commission's Rules of Practice, 17 C.F.R. § 201.250(a), it is also DENIED.

On June 11, 2002, the Division filed a Motion to Postpone Hearing ("Motion to Postpone"). The Division requests that the hearing currently set for June 17, 2002, be postponed to a date to be determined. The Division also states that Respondent's president indicates that he is generally available to hold a telephonic prehearing conference, and requests that such a prehearing conference be set.

The Motion to Postpone is hereby GRANTED. For good cause shown, pursuant to Rules 161 and 221 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.161, .221, the hearing in this matter is continued to a date to be determined at a prehearing conference to be held on Monday, June 17, 2002, at 2:00 p.m. EDT. The Division shall initiate the call. The parties should be prepared to discuss the status of any settlement negotiations as well as the prehearing matters detailed in Rules 221 through 235 of the Commission's Rules of Practice, 17 C.F.R. § 201.221-.235.

IT IS SO ORDERED.



Lillian A. McEwen  
Administrative Law Judge