

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

SECURITIES AND EXCHANGE COMMISSION,)	
)	
Applicant,)	Misc. Action No.:
)	
vs.)	
)	
JOHN OLSEN, ARCPE 1, LLC, ARCPE)	
HOLDING, LLC, GEMINI 1, LLC,)	
TAMIWEST, LLC, HARBOR REALTY)	
INVESTMENT CORP., and SUNSET HARBOR)	
HOLDINGS, LLC,)	
)	
Respondents.)	

**MEMORANDUM OF LAW IN SUPPORT OF APPLICATION
OF THE SECURITIES AND EXCHANGE COMMISSION FOR AN ORDER
COMPELLING COMPLIANCE WITH ADMINISTRATIVE SUBPOENAS**

Dated: March 27, 2026

Respectfully submitted,

UNITED STATES SECURITIES
AND EXCHANGE COMMISSION

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Applicant United States Securities and Exchange Commission (the “SEC”) submits this Memorandum of Law in support of its Application for an Order Compelling Compliance with Administrative Subpoenas (“Application”).

I. PRELIMINARY STATEMENT

The SEC seeks an order compelling Respondents John Olsen (“Olsen”), ARCPE 1, LLC (“ARCPE”); GEMINI 1, LLC (“GEMINI”); ARCPE Holding, LLC (“ARCPE Holding”); Tamiwest, LLC (“Tamiwest”); Harbor Realty Investment Corp. (“Harbor Realty”); and Sunset Harbor Holdings, LLC (“Sunset Harbor”) (together, “Respondents”) to comply with administrative subpoenas issued in the SEC’s ongoing investigation (the “Investigation”) into potential violations of federal securities laws in connection with suspected market manipulation of securities issued by Mondee Holdings, Inc. (“Mondee”).

Mondee is a travel technology company based in Austin, Texas, whose securities became publicly traded in July 2022 and were ultimately delisted by Nasdaq in December 2024. Mondee filed for Chapter 11 bankruptcy protection in January 2025. The SEC has information indicating that certain persons or entities may have been engaging in manipulative trading of Mondee common stock in possible violation of the federal securities laws. Accordingly, the SEC is investigating whether any person or entity violated the antifraud or other provisions of the federal securities laws in connection with a potential market-manipulation scheme to inflate the price of Mondee stock. Communications and transactions related to this potential scheme took place as early as January 2022 through October 2024 (“Relevant Period”).

In furtherance of the Investigation, the SEC issued and served administrative subpoenas on Respondents. Respondents traded in Mondee stock and/or conducted a related transaction

potentially connected to insider efforts to manipulate the market for Mondee common stock during the Relevant Period.

The subpoenas seek the production of documents and communications critical to the Investigation, including, among others, Respondents' communications related to Mondee and their documents related to trading in Mondee stock.

For months after receiving the Subpoenas, Respondents failed to confirm that they were represented by counsel. Months after confirming representation, a single Respondent (ARCPE) made a single, partial production. Eight months after receiving the Subpoenas, and only days after Respondents' counsel forecast several forthcoming productions, Respondents abruptly refused to produce any more documents, now claiming that Subpoenas issued by SEC staff are unconstitutional. This position is not supported by the law.

The SEC now requests that this Court order Respondents to comply with the SEC's lawfully issued Subpoenas.

II. STATEMENT OF FACTS

A. THE SEC IS CONDUCTING A LEGALLY AUTHORIZED INVESTIGATION INTO POTENTIAL VIOLATIONS OF THE FEDERAL SECURITIES LAWS IN CONNECTION WITH THE TRADING OF MONDEE SECURITIES.

The SEC's investigation, captioned *In the Matter of Trading in the Securities of Mondee Holdings, Inc.*, is being conducted pursuant to an Order Directing Private Investigation and Designating Officers to Take Testimony that the SEC issued on March 2, 2024, and a supplement to that Order that the SEC issued on September 12, 2024 (collectively, the "Formal Order").¹ (Declaration of Ty S. Martinez ("Martinez Decl.") at ¶¶ 2, 3, APP. 001-002). The SEC issued the

¹ Because the Investigation is ongoing, confidential, and non-public, the SEC has not attached a copy of the Formal Order or the Supplemental Formal Order as exhibits to the Martinez Declaration. If requested by the Court, the SEC will provide a copy of the Formal Order and Supplemental Formal Order to the Court, but respectfully requests that the Court allow the SEC to submit said orders in camera. (Martinez Decl. at ¶ 4, APP. 002.)

Formal Order pursuant Section 21(a) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78u(a)]. (*Id.* at ¶¶ 4-5, APP. 002-003). The Formal Order designates certain members of the SEC staff as officers of the SEC, and authorizes the designated officers to subpoena witnesses, compel their attendance, take evidence, and require the production of any records deemed relevant or material to the Investigation. (*Id.*)

The purpose of the Investigation, according to the Formal Order, is to investigate, among other things, whether any persons or entities have violated antifraud² or other provisions of the federal securities laws.³ (*Id.* at ¶ 4, APP. 002). The Investigation concerns potential manipulative trading in common stock issued by Mondee. (*Id.* at ¶ 6, APP. 003).

B. THE SEC ISSUED AND SERVED SUBPOENAS TO RESPONDENTS, WHO HAVE REFUSED TO PRODUCE CERTAIN DOCUMENTS AS REQUIRED BY THE SUBPOENAS.

In furtherance of its Investigation, SEC staff issued subpoenas to all Respondents on October 15, 2024, pursuant to the Formal Order and the SEC’s Rules of Practice and Investigations, 17 C.F.R. §§ 203.8, 201.232(c) and 201.150(c)(2). (Martinez Decl. at ¶ 10; Martinez Decl. Exs. A-C, APP. 004, 013-144). The SEC staff served Respondents with the Subpoenas via UPS on October 17 and 18, 2024. (Martinez Decl. at ¶ 10, APP. 004). The Subpoenas required Respondents to produce documents, communications, and electronically stored information (“ESI”) in response to the SEC’s requests by November 5, 2024. (*Id.* at ¶ 11, APP. 004). Respondents Olsen, ARCPE, and Gemini all traded in Mondee securities during the Relevant Period. (*Id.* at ¶ 9, APP. 003-004). Olsen and ARCPE appear to have potentially funded at least part of their trading in Mondee’s securities using proceeds from a September 2023 real

² The antifraud provisions of the federal securities laws implicated by the Formal Order include Section 10(b) of the Exchange Act (15 U.S.C. § 78j(b)) and Rule 10b-5 promulgated thereunder (17 C.F.R. § 240.10b-5). *Id.* at ¶ 6.

³ Other provisions referenced in the Formal Order include Sections 9(a)(2) and 16(a) of the Exchange Act and Rule 16a-3 thereunder, which relate to manipulative trading practices and beneficial-ownership reporting, respectively. *Id.*

estate transaction involving an entity controlled by a Mondee executive. (*Id.* at ¶ 9, APP. 003-004). Additionally, Olsen is an officer and/or director of ARCPE Holding and Sunset Harbor. (*Id.* at ¶ 8, APP. 003).

The due date for the Subpoenas, November 5, 2024, passed without the Respondents producing any of the subpoenaed material and without the Respondents being able to confirm if they were represented by counsel. (Martinez Decl. at ¶¶ 12-14, APP. 005). On November 25, 2024, after several attempts to discuss Respondents' lack of production, an attorney who claimed to represent the Respondents "temporarily" advised SEC staff that he had instructed Respondents to gather responsive documents. (Martinez Decl. at ¶ 16, APP. 005-006).

On December 11, 2024, attorney Joshua Klein contacted SEC staff for the first time. At this point, Respondents had failed to produce any documents in response to the Subpoenas. Klein stated that he was in the process of being retained by Olsen but was uncertain if he would represent the other Respondents. (Martinez Decl. at ¶ 18, APP. 006). This uncertainty would continue until January 31, 2025, when after myriad requests from SEC staff, Klein finally confirmed that he would represent all Respondents. (Martinez Decl. at ¶¶ 19-27, APP. 006-007). In the meantime, Klein confirmed that he had started collecting responsive documents on behalf of some of the Respondents. (*Id.* at ¶ 26, APP. 007). Through mid-March 2025, in response to repeated inquiries of SEC staff, Klein confirmed the existence of responsive records held by Respondents and gave updates on efforts to collect and produce them. (Martinez Decl. at ¶¶ 28-33, APP. 008-009).

On March 18, 2025, Klein raised the possibility that Olsen might refuse to comply with the subpoena under his Fifth Amendment privilege against self-incrimination. (Martinez Decl. at ¶¶ 35-37, APP. 009-010). This was the first time any Respondent had raised the possibility of

asserting a privilege in the five months since receiving the Subpoenas. (*Id.*) Respondents have never produced a log of materials withheld because of any privilege.

On April 23, 2025, more than six months after receiving the Subpoenas, Respondent ARCPE made the first production of documents in response to the Subpoenas, explicitly stating that it intended to continue producing documents on a rolling basis. (Martinez Decl. at ¶ 38, APP. 010). None of the other Respondents produced any documents. Although counsel for Respondents stated on May 19, 2025, that additional productions would be coming in the following weeks, ARCPE's April 23, 2025 production is the only time any Respondent has produced any documents in response to the Subpoenas. (*Id.* at ¶¶ 39-41, APP. 011).

Then, on July 3, 2025, Respondents' counsel informed the SEC that they would not be producing any further documents in response to the Subpoenas because of constitutional objections to the SEC staff's ability to conduct investigations such as this one. (*Id.* at ¶¶ 42-43, APP. 011-012). In the eight months since receiving the Subpoenas, this was the first time that any Respondent had mentioned such a constitutional objection. SEC staff responded with a letter on August 20, 2025, outlining the SEC's position and providing cites to applicable cases. (*Id.* at ¶ 44, APP. 012). Counsel for Respondents confirmed on September 11, 2025, via email, that their position had not changed and that they would not be producing any further documents in response to the Subpoenas. (Martinez Decl. at ¶ 46, APP. 012).

III. ARGUMENT

The SEC requests that the Court enforce the Subpoenas. Specifically, as further outlined in the Application, the SEC asks the Court to order Respondents to produce documents in response to each request in the Subpoenas. The Court should grant the Application because: (A) the Court has authority and jurisdiction to enforce the Subpoenas, (B) the Subpoenas satisfy the minimal

requirements for enforcement, and (C) Respondents cannot establish any basis for refusing to comply with the Subpoenas.

A. THIS COURT HAS AUTHORITY AND JURISDICTION TO ENFORCE THE SUBPOENAS IN SUMMARY PROCEEDINGS, AND VENUE LIES IN THIS DISTRICT.

“It is well established that the scope of an administrative agency’s investigatory power is broad.” *SEC v. OKC Corp.*, 474 F. Supp. 1031, 1034 (N.D. Tex. 1979); *see also* 15 U.S.C. § 77t(a); 15 U.S.C. §§ 78u(a)–(b). The SEC—and the officers that it designates—are empowered, among other things, to administer oaths, subpoena witnesses, and compel their testimony and attendance. *See* 15 U.S.C. §77s(c); 15 U.S.C. § 78u(b). When a subpoenaed party refuses to comply with a subpoena issued by the SEC—as Respondents have done here—the SEC has the authority to seek a court order enforcing the subpoena by compelling compliance. *See* 15 U.S.C. § 78u(c) (“In case of ...refusal to obey a subpoena issued to any person, the [SEC] may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on....”). This Court has jurisdiction over the Application made by the SEC in this case, which Congress has expressly conferred. *See id.*

Regarding venue, Congress authorized the SEC to bring subpoena enforcement actions in any United States District Court “within the jurisdiction of which such investigation or proceeding is carried on.” *Id.* The Investigation in this case is being conducted by staff in the SEC’s Fort Worth Regional Office, and the subpoenas were issued in Fort Worth, Texas. (Martinez Decl. at ¶¶ 1, 2, 10; APP. 001, 004, 013-144). Accordingly, venue for the Application is proper in this District. *See SEC v. Comm. on Ways & Means of the U.S. House of Representatives*, 161 F. Supp.

3d 199, 225 (S.D.N.Y. 2015) (“Because the SEC is carrying on the Humana Investigation in New York, venue in [the Southern District of New York] is proper pursuant to 15 U.S.C. § 78u(c).”).

Furthermore, this Court has authority to adjudicate the SEC’s application in a summary proceeding. *See Burlington N. R. Co. v. Office of Inspector Gen., R.R. Ret. Bd.*, 983 F.2d 631, 637 (5th Cir. 1993) (“This court has consistently recognized the summary nature of administrative subpoena enforcement proceedings.”). Therefore, the SEC requests that the Court hear and rule on the Application so that its Investigation is not further delayed. *See id.* (Fifth Circuit recognizing that summary proceedings for enforcement of administrative subpoenas are permissible); *see also SEC v. First Security Bank*, 447 F.2d 166, 168 (10th Cir. 1971) (“Questions concerning agency subpoenas should be promptly determined so that the subpoenas, if valid, may be speedily enforced”); *SEC v. Lavin*, 111 F.3d 921, 926 (D.C. Cir. 1997) (noting that subpoena enforcement actions “are generally summary in nature and must be expedited”).

B. THE SEC’S SUBPOENAS SATISFY ALL REQUIREMENTS FOR ENFORCEMENT.

According to the Fifth Circuit, “it is settled that the requirements for judicial enforcement of an administrative subpoena are minimal.” *Burlington*, 983 F.2d at 637. As such, “[t]he courts’ role in a proceeding to enforce an administrative subpoena is extremely limited.” *RNR Enters., Inc. v. SEC*, 122 F.3d 93, 96 (2d Cir. 1997) (internal quotations omitted).

A court should enforce an investigative subpoena upon application by the SEC if: (1) the investigation is conducted pursuant to a legitimate purpose, (2) the subpoena seeks information that may be relevant to the purpose, (3) the information sought is not already within the SEC’s possession, and (4) the SEC issued the subpoena in accordance with applicable administrative procedures. *See SEC v. Marin*, 982 F.3d 1341, 1352 (11th Cir. 2020); *OKC Corp.*, 474 F. Supp. at

1034-36.⁴ The SEC’s “minimal burden” to satisfy this test “can be fulfilled by a simple affidavit of the . . . agent issuing the summons.” *Mazurek v. United States*, 271 F.3d 226, 230 (5th Cir. 2001) (internal quotations and citation omitted) (enforcing IRS summons). As demonstrated below, the SEC has satisfied all requirements for enforcement in this case.

1. The Purpose of the SEC’s Investigation Is Legitimate.

The SEC staff is conducting this Investigation pursuant to the Formal Order, which authorizes designated officers of the SEC to investigate, among other things, whether violations of the antifraud and other provisions of the federal securities laws have occurred. (Martinez Decl. at ¶¶ 4-7, APP. 002-003). This purpose is “Congressionally authorized” because Congress empowered the SEC “to conduct investigations to determine whether any person has violated or is about to violate the securities laws.” *OKC Corp.*, 474 F. Supp. at 1034-35 (holding that purpose of SEC investigation was legitimate where investigation was conducted pursuant to SEC’s order authorizing investigation into potential federal securities law violations); *see also* 15 U.S.C. § 77t(a); 15 U.S.C. § 78(u)(a); *SEC v. Jerry T. O’Brien, Inc.*, 467 U.S. 735, 741 (1984) (“Congress has vested the [SEC] with broad authority to conduct investigations into possible violations of the federal securities laws and to demand production of evidence relevant to such investigations.”). Accordingly, the SEC is conducting this Investigation pursuant to a lawfully authorized and legitimate purpose.

2. The Subpoenas Seek Relevant Documents, Testimony, and Information.

An agency’s subpoena seeks relevant information when such information is not “plainly incompetent or irrelevant to any lawful purpose.” *OKC Corp.*, 474 F. Supp. at 1036 (quoting *Endicott Johnson Corp. v. Perkins*, 317 U.S. 501, 509 (1943)). Because Congress authorized the

⁴ These four factors are derived from *United States v. Powell*, 379 U.S. 48, 57-58 (1964), where the Supreme Court established a test for enforcement of an Internal Revenue Service (“IRS”) summons. *See also SEC v. ESM Gov’t Sec., Inc.*, 645 F.2d 310, 313 n.3 (5th Cir. 1981) (noting that standards of IRS summons enforcement cases, including *Powell*, apply generally to SEC subpoena enforcement cases).

SEC to subpoena documents that it deems “relevant or material to the inquiry,” 15 U.S.C. § 78u(b), “a court should be reluctant to declare the subpoenaed documents irrelevant,” unless the subpoena “on its face” seeks documents that “do not pertain to the official subject of the investigation.” *OKC Corp.*, 474 F. Supp. at 1036; *see also Ruggles v. SEC*, 567 F. Supp. 766, 768 (S.D. Tex. 1983) (federal securities laws empower the SEC “to subpoena any records which it deems relevant, and the courts are to permit inquiries to whatever extent is necessary to make effective this power of investigation”).

Here, the information the SEC seeks from Respondents satisfies the minimal relevance standard. Through its Investigation, the SEC seeks to investigate whether any person or entity violated various provisions of the federal securities laws in connection with a potential market-manipulation scheme to inflate the price of Mondee stock. (Martinez Decl. at ¶ 5, APP. 002-003). As stated in Section II(b), Respondents Olsen, ARCPE, and Gemini all traded in Mondee securities during the Relevant Period. (Martinez Decl. at ¶ 9, APP. 003-004). Olsen and ARCPE appear to have potentially funded at least part of their trading in Mondee’s securities using proceeds from a real estate transaction involving a Mondee executive. (*Id.*). Additionally, Olsen is associated with the manager of Gemini and is personally an officer and/or director of ARCPE Holding and Sunset Harbor. (*Id.* at ¶ 8, APP. 003).

To that end, the SEC issued and served the Subpoenas seeking documents, communications, and ESI from Respondents seeking materials related to trading in Mondee securities. This requested information is relevant to determining whether violations of the antifraud or other provisions of the

federal securities laws⁵ occurred in connection with trading in Mondee securities and related transactions.

Respondents have admitted responsive documents exist, repeatedly stating that they were gathering the documents for production. (*See* Martinez Decl. at ¶¶ 28 *et seq.*, APP. 008-012). Respondents stated that they were about to produce several more tranches of documents before abruptly refusing, raising—for the first time—a constitutional defense despite having received the Subpoenas more than eight months earlier.

Far from being “plainly incompetent” or “irrelevant,” all documents that the subpoenas require Respondents to produce are squarely germane to the purpose of the SEC’s Investigation because they may shed light on whether any provisions of the federal securities laws were violated. Accordingly, the subpoenas easily meet the minimal relevance requirement to warrant their enforcement. *See OKC Corp.*, 474 F. Supp. at 1036.

3. The Information Sought Is Not Already in the SEC’s Possession.

The third requirement for enforcement of an administrative subpoena is “that the information sought is not already within the agency’s possession.” *Marin*, 982 F.3d at 1352. This requirement is clearly satisfied in this case. The SEC does not have possession of Respondents’ documents that are sought by the subpoenas. (Martinez Decl. at ¶ 11, APP. 004).

4. The SEC Satisfied Applicable Administrative Requirements.

Lastly, the SEC staff issued and served the administrative subpoenas in accordance with the applicable administrative requirements. The federal securities laws authorize the SEC to designate officers and empower them, among other things, to subpoena witnesses, to compel their attendance,

⁵ *See supra* note 3 & 3 (citing antifraud and other provisions).

to take evidence, and to require the production of any books, papers, or other documents that the SEC deems relevant or material to its investigation. *See* 15 U.S.C. § 77s(c); 15 U.S.C. § 78u(b).

Here, a staff attorney who was designated in the Formal Order as an officer of the SEC for purposes of this Investigation issued each of the subpoenas to Respondents. (Martinez Decl. at ¶¶ 1-5, 10, APP. 001-004). The SEC staff properly served the subpoenas on Respondents by sending the subpoenas to their last known addresses via UPS mail. (*Id.* at ¶¶ 10, APP. 004). Further, there is no question that Respondents received actual notice of the SEC’s subpoenas, given that their counsel eventually notified SEC staff that he represented Respondents in connection with the subpoenas, and that Respondent ARCPE partially complied with the subpoena issued to it. (*Id.*, *passim*, APP. 001-012). Accordingly, the subpoenas satisfy the applicable administrative procedures. *See OKC Corp.*, 474 F. Supp. at 1036 (holding that the SEC complied with applicable laws where it issued subpoena “pursuant to an agency order authorizing a legitimate agency investigation”).

C. RESPONDENTS CANNOT SHOW THAT THE SUBPOENAS SHOULD NOT BE ENFORCED.

Once an agency satisfies the threshold criteria for enforcement of an administrative subpoena, the burden shifts to the respondent to establish that the subpoena is unreasonable. *See SEC v. Arthur Young & Co.*, 584 F.2d 1018, 1024, 1034 n.139 (D.C. Cir. 1978), *cert. denied*, 439 U.S. 1071 (1979); *SEC v. Brigadoon Scotch Distrib. Co.*, 480 F.2d 1047, 1056 (2d Cir. 1973), *cert. denied*, 415 U.S. 915 (1974); *OKC Corp.*, 474 F. Supp. at 1036.

Here, Respondents will not be able to show that the subpoenas are unreasonable or should not be enforced as requested by the SEC. Indeed, in communications with the SEC staff, Respondents had stated that they were on the cusp of producing several more tranches of documents before abruptly refusing. (Martinez Decl. at ¶¶ 38-46, APP. 010-012). And where, as here, the SEC’s inquiry is legally authorized and the information sought is relevant to the inquiry, the burden of

showing unreasonableness “is not easily satisfied.” *OKC Corp.*, 474 F. Supp. at 1036 (citing *Brigadoon Scotch*, 480 F.2d at 1056).

As demonstrated in the attached correspondence, there is no basis in law or fact to conclude that the staff of the SEC is constitutionally barred from issuing the Subpoenas and seeking their enforcement in the courts of the United States. *See* August 20, 2025 Letter from SEC Assistant Director Timothy McCole (Martinez Decl. Ex. E, APP. 148-149) responding to July 3, 2025 Letter from Joshua Klein (Martinez Decl. Ex. D, APP. 145-147); *see also SEC v. Musk*, No. 3:23-MC-80253-JSC, 2024 WL 2875096, at *8 (N.D. Cal. May 14, 2024); *SEC v. McMillan*, No. 4:24-cv-00919-P, 2025 WL 531776 (N.D. Tex. Feb. 18, 2025).

IV. CONCLUSION

For the foregoing reasons and those stated in the SEC’s Application for Order Compelling Compliance with Administrative Subpoenas, the SEC respectfully requests that the Court grant the Application and enter an Order compelling Respondents to comply with the SEC’s administrative subpoenas as further outlined in the Application.

Dated: March 27, 2026

Respectfully submitted,

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CERTIFICATE OF SERVICE

On March 27, 2026, I served or caused to be served (1) the Application of the Securities and Exchange Commission Compelling Compliance with Administrative Subpoenas, (2) the Memorandum of Law in Support of the Application of the Securities and Exchange Commission Compelling Compliance with Administrative Subpoenas, (3) the Declaration of Ty S. Martinez dated March 16, 2023, and exhibits thereto, and (4) the Proposed Order via Personal service, email, and UPS overnight delivery to:

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