

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 87201 / October 2, 2019

Admin. Proc. File No. 3-19308

In the Matter of  ARTISANAL BRANDS, INC., AND DALECO RESOURCES CORPORATION,  Respondents.
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INITIAL SCHEDULING ORDER

On August 5, 2019, the Securities and Exchange Commission issued an order instituting administrative proceedings (“OIP”) against Artisanal Brands, Inc., and Daleco Resources Corporation (collectively, “Respondents”), pursuant to Section 12(j) of the Securities Exchange Act of 1934.<sup>1</sup> The OIP directed Respondents to answer the OIP and directed the Respondents and the Division of Enforcement to conduct a prehearing conference.<sup>2</sup>

After Artisanal Brands, Inc. (“Artisanal”) filed an answer to the OIP,<sup>3</sup> it met and conferred with the Division on September 3 and 17, 2019.<sup>4</sup> On September 17, 2019, the Division

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<sup>1</sup> *Artisanal Brands, Inc.*, Exchange Act Release No. 86565, 2019 WL 3578313 (Aug. 5, 2019). On the same day, the Commission announced the temporary suspension of trading in Respondents’ securities, pursuant to Exchange Act Section 12(k). *Artisanal Brands, Inc.*, Exchange Act Release No. 86566, 2019 WL 3578378 (Aug. 5, 2019).

<sup>2</sup> *See* Rule of Practice 221, 17 C.F.R. § 201.221.

<sup>3</sup> To date, Daleco Resources Corporation has not answered the OIP.

<sup>4</sup> On September 3, 2019, the Division filed a motion for a ruling on the pleadings with respect to Artisanal pursuant to Rule of Practice 250(a). *See* 17 C.F.R. § 201.250(a) (“No later than 14 days after a respondent’s answer has been filed, any party may move for a ruling on the pleadings on one or more claims or defenses, asserting that, even accepting all of the non-movant’s factual allegations as true and drawing all reasonable inferences in the non-movant’s favor, the movant is entitled to a ruling as a matter of law.”). That motion remains pending.

filed a prehearing conference statement in which it represented that it and Artisanal (collectively, the “Parties”) had discussed various matters and reached certain agreements.<sup>5</sup>

Pursuant to Rule of Practice 221(e), this order specifies the agreements reached by the Parties and sets procedural deadlines. The Parties stipulated that Artisanal has not filed any Forms 10-K or 10-Q since it filed a Form 10-Q for the period ending February 28, 2013. The Parties agreed further that they do not intend to call any expert witnesses; that Artisanal intends to present an “advice of counsel/accountant defense” and reserves the right to present testimony from the attorneys and/or accountants who provided that advice; and that Artisanal is still considering the possibility of settling this matter. Artisanal also reserves the right to request the deposition of a Commission staff attorney and the Division objects to the propriety and relevancy of such a deposition and specifically reserves the right to move to quash any such request.

The Parties also agreed to accept service of all motions and other filings in this matter by email.

Finally, the Parties agreed to the following schedule:

**November 1, 2019**: Deadline for the exchange of witness and exhibit lists.

**November 18, 2019**: Deadline for the completion of the production of documents.

**November 18, 2019**: Deadline to conduct a pretrial meeting to resolve any remaining issues under Rule 221(c).<sup>6</sup>

Accordingly, IT IS ORDERED that the Parties shall comply with the above schedule. They are further instructed to submit a supplemental report to the Commission following the ordered pretrial meeting. The Commission will specify further procedures at that time.

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

Vanessa A. Countryman  
Secretary

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<sup>5</sup> The Division characterized its filing as a “unilateral summary and statement” because Artisanal had not responded to a draft of the statement that the Division sent it the day of the conference and filing. Artisanal has not disputed the accuracy of the Division’s filing.

<sup>6</sup> 17 C.F.R. § 201.221(c) (specifying the matters for which consideration may be given and action taken at the prehearing conference).