

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6631 / June 24, 2024

Admin. Proc. File No. 3-20139

In the Matter of
MOHAMMED ALI RASHID

ORDER REQUESTING ADDITIONAL BRIEFS

On October 26, 2020, the Securities and Exchange Commission issued an order instituting administrative proceedings (“OIP”) against Mohammed Ali Rashid, pursuant to Section 203(f) of the Investment Advisers Act of 1940.¹ The OIP alleged that, on October 14, 2020, a federal district court permanently enjoined Rashid from violating Advisers Act Section 206(2), and ordered Rashid to pay a civil penalty.² The Commission instituted these proceedings to determine whether the allegations are true and what, if any, remedial action is appropriate in the public interest against Rashid.³ The Division of Enforcement moved for summary disposition, which Rashid opposed.

After the Commission issued the OIP, Rashid appealed the district court’s judgment. On March 13, 2024, the U.S. Court of Appeals for the Second Circuit issued an opinion reversing the district court’s judgment.⁴ As a result, the Commission would be assisted in its determination of this proceeding if the parties provided additional briefing on whether the reversal of the district court’s October 2020 final judgment has removed a statutory basis for maintaining this proceeding.⁵

Accordingly, the parties are ORDERED to file simultaneous briefs (not to exceed 5,000 words) by July 15, 2024, regarding any matters that the parties may believe pertinent as to what effect, if any, the Second Circuit’s reversal of the district court’s October 2020 final judgment

¹ *Mohammed Ali Rashid*, Advisers Act Release No. 5620, 2020 WL 6286294 (Oct. 26, 2020); *see also* 15 U.S.C. § 80b-3(f).

² *Rashid*, 2020 WL 6286294, at *1; *see also* 15 U.S.C. § 80b-6(2); *SEC v. Rashid*, No. 17-cv-8223, 2020 WL 5658665 (S.D.N.Y. Oct. 14, 2020) (final judgment).

³ *Rashid*, 2020 WL 6286294, at *2.

⁴ *SEC v. Rashid*, 96 F.4th 233, 244 (2d Cir. 2024).

⁵ 15 U.S.C. § 80b-3(f) (cross-referencing Advisers Act Section 203(e)(4), 15 U.S.C. § 80b-3(e)(4)); *see also id.* § 80b-3(e)(4) (discussing injunctions).

has on the continued viability of this proceeding. If either party takes the position that the Commission now lacks a statutory basis for maintaining this proceeding on the existing OIP, it would further aid the Commission if that party addresses what steps it proposes that the Commission should take.

It is further ORDERED that the parties may file simultaneous response briefs (not to exceed 2,500 words in length) by July 29, 2024. This order is not to be construed as expressing any view as to the Commission's resolution of these issues or the review proceeding generally.

The parties' attention is directed to the e-filing requirements in the Rules of Practice.⁶

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

Vanessa A. Countryman
Secretary

⁶ See Rules of Practice 151, 152(a), 17 C.F.R. §§ 201.151, .152(a) (providing procedure for filing papers with the Commission and mandating electronic filing in the form and manner posted on the Commission's website); *Instructions for Electronic Filing and Service of Documents in SEC Administrative Proceedings and Technical Specifications*, <https://www.sec.gov/efapdocs/instructions.pdf>.