

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85777 / May 3, 2019

Admin. Proc. File No. 3-18845

In the Matter of

ISMAIL ELMAS

ORDER TO SHOW CAUSE

The Securities and Exchange Commission (“Commission”) issued an Order Instituting Proceedings (“OIP”) on September 27, 2018, pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, against respondent Ismail Elmas.¹

On November 14, 2018, the Division of Enforcement filed a motion for entry of default and sanctions against Elmas. The motion states that service of the OIP was made on Elmas via United States Postal Service Certified Mail on October 2, 2018. The Division requests that the Commission find Elmas in default for not filing an answer and bar him from the securities industry and from participating in any penny stock offering based on the record and the allegations in the OIP.

As stated in the OIP, Elmas’s answer was required to be filed within 20 days of service of the OIP.² As of the date of this order, Elmas has not filed an answer or a brief in opposition to the Division’s motion, which was due within eight days after it was served upon him.³ The prehearing conference and the hearing are thus continued indefinitely.

Accordingly, Elmas is ORDERED to SHOW CAUSE by May 17, 2019, why the Commission should not find him in default due to his failure to file an answer, to respond to the Division’s motion, or to otherwise defend this proceeding. When a party defaults, the allegations in the OIP will be deemed to be true and the Commission may determine the proceeding against

¹ *Ismail Elmas*, Exchange Act Release No. 84300, 2018 WL 4630654 (Sept. 27, 2018).

² Rules of Practice 151(a), 160(b), 220(b), 17 C.F.R. §§ 201.151(a), .160(b), .220(b).

³ The Division’s motion states that it was served upon Elmas by U.S. Mail on November 14 2018. Rules of Practice 155(b), 160(b), 17 C.F.R. §§ 201.155(b), .160(b).

that party upon consideration of the record without holding a public hearing.⁴ The OIP informed Elmas that a failure to file an answer could result in him being deemed in default and the proceedings determined against him.⁵ The failure to timely oppose a dispositive motion is also a basis for a finding of default.⁶ Like failing to timely file an answer, failing to timely oppose a dispositive motion may result in the determination of particular claims, or the proceeding as a whole, adversely to the non-moving party and may be deemed a forfeiture of arguments that could have been raised at that time.⁷

Elmas's submission shall address the reasons for his failure to timely file an answer or response to the Division's motion, as well as the substance of the Division's request for sanctions (including why the Commission should not bar him from association with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization pursuant to Exchange Act Section 15(b)(6) and Advisers Act Section 203(f), or bar him from participating in any offering of a penny stock pursuant to Exchange Act Section 15(b)(6)). If Elmas responds to this order to show cause, the Division may file a reply within 21 days after its service.

The parties are reminded that an electronic courtesy copy of each filing should be emailed to APFilings@sec.gov in PDF text-searchable format.

Upon review of the filings in response to this order, the Commission will either direct further proceedings by subsequent order or issue a final opinion and order resolving the matter.

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

Vanessa A. Countryman
Acting Secretary

⁴ Rules of Practice 155, 180, 17 C.F.R. § 201.155, .180.

⁵ *Elmas*, 2018 WL 4630654, at *2.

⁶ *See, e.g., Benham Halali*, Exchange Act Release No. 79722, 2017 WL 24498, at *3 n.12 (Jan. 3, 2017).

⁷ *See, e.g., Bennett Group Fin. Servs., LLC*, Exchange Act Release No. 80347, 2017 WL 1176053, at *2-3 (Mar. 30, 2017); *Apollo Publ'n Corp.*, Securities Act Release No. 8678, 2006 WL 985307, at *1 n.6 (Apr. 13, 2006); *McBarron Capital LLC*, Exchange Act Release No. 81789, 2017 WL 4350655, at *3-5 (Sep. 29, 2017).