

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 3070 / August 26, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16386

In the Matter of

TRACI J. ANDERSON, CPA,
TIMOTHY W. CARNAHAN, AND
CYIOS CORPORATION

ORDER FOLLOWING
SECOND PREHEARING CONFERENCE

The Securities and Exchange Commission instituted this proceeding on February 13, 2015. On June 9, 2015, I granted, in part, the Division of Enforcement's motion for summary disposition. *See Traci J. Anderson, CPA*, Admin. Proc. Rulings Release No. 2786, 2015 SEC LEXIS 2280. The hearing is scheduled to commence on September 2, 2015, at Commission Headquarters, Hearing Room 2, 100 F Street, N.E., Washington, D.C. 20549.

I held a prehearing conference yesterday, attended by Division counsel as well as Traci J. Anderson, CPA, and Timothy W. Carnahan, both appearing pro se. I directed Respondents to file their witness and exhibit lists, and serve those filings on the Division, by no later than close of business this Friday, August 28, 2015. Respondents shall identify any witness they intend to call to the stand and any exhibits they intend to offer into evidence at the hearing. Also by this Friday, Respondents shall provide the Division with copies of their exhibits.¹

I denied the Division's motion requesting that I take official notice of public trading activity in CYIOS Corporation's stock, without prejudice to the motion's renewal at the hearing.

I warned that failure to appear at the hearing may result in default, which may include deeming true the allegations of the Order Instituting Proceedings and determining sanctions against the defaulting party. *See* 17 C.F.R. § 201.155(a)(1). Anderson indicated during the conference that she might not be able to attend the hearing, but has since informed my Office that she has made arrangements that will permit her attendance on September 2 and at least part of the day on September 3.

¹ Previously, the parties were ordered to complete these items by August 19, 2015. *See Traci J. Anderson, CPA*, Admin. Proc. Rulings Release No. 2830, 2015 SEC LEXIS 2468 (June 18, 2015).

The hearing will proceed as scheduled. At the start of the hearing, the parties shall be prepared to submit their proffered exhibits to me, preferably in electronic format. Exhibits shall not be filed with the Commission's Office of the Secretary until after the hearing.

SO ORDERED.

Cameron Elliot
Administrative Law Judge