

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4340/November 10, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17372

In the Matter of

ISLAND TRADER LLC AND
RICHARD H. NICKLES

ORDER TO SHOW CAUSE

On August 10, 2016, the Securities and Exchange Commission issued an order instituting proceedings (OIP) against Respondents pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940.

On October 31, 2016, the Division of Enforcement filed a declaration of service stating that Respondent Richard H. Nickles was personally served with the OIP on September 30, 2016, and that Respondent Island Trader LLC was served with the OIP by U.S. Postal Service certified mail via its registered agent on October 17, 2016. Since I find that service was proper under 17 C.F.R. § 201.141, Nickles' answer was due October 20 and Island Trader's answer was due November 9. OIP at 2; 17 C.F.R. §§ 201.160(b), .220(b). To date, Respondents have failed to file answers.

Accordingly, it is ORDERED that on or before November 23, 2016, Respondents shall SHOW CAUSE why this proceeding should not be determined against them due to their failure to file answers or otherwise defend this proceeding. If Respondents fail to respond to this Order, the Division of Enforcement shall file a motion for default and sanctions by December 22, 2016. The motion shall include legal analysis and evidentiary support for the allegations and requested sanction in accordance with *Rapoport v. SEC*, 682 F.3d 98 (D.C. Cir. 2012), and *Ross Mandell*, Exchange Act Release No. 71668, 2014 SEC LEXIS 849, at *7-9 (Mar. 7, 2014), *vacated in part on other grounds*, Exchange Act Release No. 77935, 2016 SEC LEXIS 1886 (May 26, 2016). If Respondents default, I may deem the OIP's allegations to be true and decide the proceeding against them. *See* OIP at 3; 17 C.F.R. §§ 201.155(a)(2), .220(f).

An electronic courtesy copy of the Division's filing should be emailed to ALJ@sec.gov in PDF text-searchable format. Exhibits should be emailed as separate attachments, not as a combined PDF file.

This Order shall be served on Respondents in the same manner as the OIP was served on them.

Cameron Elliot
Administrative Law Judge