

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

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 6117/September 28, 2018

ADMINISTRATIVE PROCEEDING  
File No. 3-18271

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In the Matter of

JEFFREY D. SMITH,	:	
JOSEPH CARSWELL, and	:	ORDER
MICHAEL W. FULLARD	:	

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The Securities and Exchange Commission instituted this proceeding with an Order Instituting Proceedings (OIP), pursuant to Section 15(b) of the Securities Exchange Act of 1934 on October 31, 2017. On June 19, 2018, an Initial Decision of Default imposed associational bars on all three Respondents. *Jeffrey D. Smith*, Initial Decision Release No. 1256, 2018 WL 3032890 (A.L.J.).

Thereafter, the proceeding was stayed: On June 21, 2018, “[i]n light of the Supreme Court’s decision in *Lucia v. SEC*,” 138 S. Ct. 2044 (2018), the Commission stayed all pending administrative proceedings, including this one; the stay was operative through August 22, 2018. *Pending Admin. Proc.*, Securities Act of 1933 Release Nos. 10510, 2018 SEC LEXIS 1490; 10522, 2018 SEC LEXIS 1774 (July 20, 2018). On August 22, 2018, the Commission ended the stay and ordered a new hearing in each affected proceeding before an administrative law judge who had not previously participated in the proceeding, unless the parties expressly agreed to alternative procedures, including agreeing that the proceeding remain with the previous presiding administrative law judge. *Pending Admin. Proc.*, Securities Act Release No. 10536, 2018 SEC LEXIS 2058, at \*2-3 (August 22 Order). Accordingly, the proceeding was reassigned to the undersigned. *Pending Admin. Proc.*, Admin. Proc. Rulings Release No. 5955, 2018 SEC LEXIS 2264 (C.A.L.J. Sept. 12, 2018).

The OIP provides that each Respondent’s Answer is due within ten days of service of the OIP on it. *See* OIP at 3; 17 C.F.R. § 201.220(b). The undersigned has independently determined that each Respondent was served with the OIP by February 5, 2018: Michael W. Fullard was served by personal service on November 26, 2017; Joseph Carswell was served by personal service on December 13, 2017; and Jeffrey D. Smith was served by “leaving a copy at [his] . . . usual place of abode with [a] person of suitable age and discretion residing therein.” 17 C.F.R. § 201.141(a)(2)(i). To date, each Respondent has failed to file an Answer.

In view of the reassignment of the proceeding, Respondents will be afforded a new opportunity to file Answers, which will be due by October 19, 2018. A Respondent that fails to file an Answer within the time provided will be deemed to be in default, and the undersigned will enter an order barring him from the securities industry. *See* OIP at 3. Any Respondent that files an Answer and the Division of Enforcement should submit proposals for the conduct of further proceedings by November 13, 2018. The proposal may include resolving the proceeding by motion[s] for summary disposition pursuant to 17 C.F.R. § 201.250(b). If a Respondent files an Answer but fails to submit a proposal (or to participate in a joint proposal), he will be deemed to be in default, and the undersigned will enter an order barring him from the securities industry. *See* August 22 Order, 2018 SEC LEXIS 2058, at \*4.

IT IS SO ORDERED.

/S/ Carol Fox Foelak  
Carol Fox Foelak  
Administrative Law Judge