

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

ADMINISTRATIVE PROCEEDINGS RULINGS

Release No. 6269/October 30, 2018

ADMINISTRATIVE PROCEEDING

File No. 3-18271

In the Matter of

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

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. No respondent filed an Answer to the OIP, and 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 SEC LEXIS 1445 (A.L.J.).

On August 22, 2018, in light of *Lucia v. SEC*, 138 S. Ct. 2044 (2018), the Commission ordered a new hearing in each pending proceeding, including this one, 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 of 1933 Release No. 10536, 2018 SEC LEXIS 2058, at *2-3. 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).

In view of the reassignment of the proceeding, Respondents were afforded a new opportunity to file Answers. The undersigned determined that each Respondent was served with the OIP: 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” on February 5, 2018. 17 C.F.R. § 201.141(a)(2)(i). Their Answers were due by October 19, 2018. *Jeffrey D. Smith*, Admin. Proc. Rulings Release No. 6117, 2018 SEC LEXIS 2689 (A.L.J. Sept. 28, 2018). To date, each has failed to file an Answer. Accordingly, Jeffrey D. Smith, Joseph Carswell, and Michael W. Fullard are each ORDERED TO SHOW CAUSE, by November 9, 2018, why he should not be deemed to be in default and be barred from associating with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization and from participating in an offering of penny stock. See OIP at 2-3; 17 C.F.R. §§ 201.155(a), .220(f).

/s/ Carol Fox Foelak
Carol Fox Foelak
Administrative Law Judge