

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

Administrative Proceedings Rulings
Release No. 6372 / November 29, 2018

Administrative Proceeding
File No. 3-17856

In the Matter of

John Austin Gibson, Jr.

Order To Show Cause

The Securities and Exchange Commission initiated this proceeding on February 23, 2017, by issuing an order instituting proceedings (OIP) pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940. The OIP alleges that John Austin Gibson, Jr., pleaded guilty to and was convicted of mail fraud on July 18, 2016, in *United States v. Gibson*, No. 2:16-cr-00103 (E.D. La).

A filing by the Division of Enforcement on April 6, 2017, established that Gibson was served with the OIP on March 4, 2017, when the OIP was signed for at a private mailbox address which Gibson had provided the Division. 17 C.F.R. § 201.141(a)(2)(i). The OIP required an answer within twenty days after service, but Gibson has not filed an answer. OIP at 3; 17 C.F.R. § 201.220(b). After a prior initial decision and finality order were vacated, the proceeding was assigned to me on September 12, 2018. *Pending Admin. Proc.*, Admin. Proc. Rulings Release No. 5955, 2018 SEC LEXIS 2264, at *2, *4 (ALJ).

On October 9, 2018, the Division reported that it sent Gibson a copy of the order following reassignment to the same address he had previously given the Division requesting that the parties submit proposals for further proceedings via certified mail. U.S. Postal Service tracking shows that the package was delivered on September 24, 2018. The Division also sent the reassignment order to Gibson's attorney in the criminal case on October 3, 2018, with a request that he forward the order to Gibson. On October 15, 2018, the Division received an email from Gibson inquiring if it "still need[s] anything" from him. The Division attached the OIP to its reply and informed

Gibson that he needed to respond if he wished to contest the proceeding. To date, Gibson has not filed an answer or otherwise defended the proceeding.

I ORDER Gibson to SHOW CAUSE by December 14, 2018, why I should not find him in default and pursuant to Exchange Act Section 15(b) and Advisers Act Section 203(f) bar him from association with a broker or dealer. See 17 C.F.R. §§ 201.155(a)(2), .220(f).

If Gibson does not respond to this order to show cause, the Division shall file a motion for default and sanctions. The motion must specifically identify the factual basis for imposing any sanction and address whether a sanction is in the public interest. The Division shall file this motion by January 7, 2019.

Brenda P. Murray
Chief Administrative Law Judge