

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

Administrative Proceedings Rulings
Release No. 6794 / October 16, 2020

Administrative Proceeding
File No. 3-20021

In the Matter of the Registration
Statement of

Crest Radius, Inc.

Order Regarding Service

The Division of Enforcement has filed a notice and affidavit that on October 14, 2020, a process server attempted to serve the order instituting proceedings (OIP) on Nevada Formation Services LLC, the registered agent of Respondent Crest Radius, Inc. But the woman at the listed address claimed to know neither Nevada Formation Services nor Crest Radius, and she refused to accept service.

In stop order proceedings, the OIP must be served personally.¹ In the case of corporations and similar business entities, personal service on an officer or any agent authorized by appointment or law to receive service will suffice.² As required by Nevada law,³ Crest Radius designated Nevada Formation Services as its registered agent. Personal service of the OIP on an officer or agent of Nevada Formation Services—itsself a business entity—would therefore satisfy the requirement for personal service in stop order proceedings. But the Division has not established that the individual found at the address that Crest Radius listed for Nevada Formation Services is an officer or agent of that LLC. She may nevertheless qualify as an “agent authorized by . . . law” because Nevada law authorizes either personal service on the registered agent or

¹ 17 C.F.R. § 201.141(a)(2)(v); *see* 15 U.S.C. § 77h(d). Service by confirmed telegraphic notice is also permitted. 15 U.S.C. § 77h(d).

² 17 C.F.R. § 201.141(a)(2)(ii).

³ *See* Nev. Rev. Stat. § 14.020(1), (2).

service “by leaving a true copy [of the notice] with a person of suitable age and discretion at the most recent street address of the registered agent” listed on the most recent filing with the Nevada Secretary of State.⁴ But the structure of the Nevada statute suggests that leaving a copy with someone at the registered agent’s address is not personal service.

If the Division has evidence that the individual is an officer of Nevada Formation Services or legal authority that service on the individual is personal service regardless of her affiliation, then it should file a supplemental notice of service by October 21, 2020, with any relevant evidence and legal authority so that the hearing may be held within fifteen days of service.

In the alternative, if the Division determines that it cannot establish that service on October 14 was proper, it may attempt to serve the OIP by other means.⁵

James E. Grimes
Administrative Law Judge

Served by email on the Division of Enforcement.

⁴ 17 C.F.R. § 201.141(a)(2)(ii); Nev. Rev. Stat. § 14.020(2).

⁵ For example, personal service on the Nevada Secretary of State may be permissible if the street address of Nevada Formation Services was not staffed during normal business hours. *See* Nev. Rev. Stat. §§ 14.020(3), .030(1).