

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 73250 / September 29, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16181

In the Matter of

Duncan J. MacDonald, III,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION 15(b) OF
THE SECURITIES EXCHANGE ACT OF 1934**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Duncan J. MacDonald, III (“Respondent” or “MacDonald”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. MacDonald, 51 years old, is a resident of Dallas, Texas, and is currently imprisoned in Seagoville, Texas. He was the founder and Chairman of the Board of Global Corporate Alliance, Inc. During the relevant period, MacDonald acted as an unregistered broker in violation of Section 15(a) of the Exchange Act.

B. ENTRY OF THE INJUNCTION/RESPONDENT’S CRIMINAL CONVICTION

2. On August 8, 2013, an agreed partial judgment was entered by consent against MacDonald, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder in the civil action entitled Securities and Exchange Commission v. Duncan J. MacDonald, III, et al., Civil Action Number 3:13-cv-2275, in the United States District Court for the Northern District of Texas.

3. The Commission’s complaint alleged that, in connection with the sale of investment contracts, MacDonald directly and indirectly made misrepresentations to investors

about the state and success of his business, its history, the use of the investors' funds, and that he otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors. The complaint also alleged that MacDonald, while not registered as a broker or associated with a registered broker, sold unregistered securities.

4. On July 9, 2013, MacDonald pled guilty to one count of conspiracy to commit wire fraud in violation of Title 18 United States Code, Sections 371 and 1343, before the United States District Court for the Northern District of Texas, in United States v. Duncan J. MacDonald, III, No. 3:13-cr-220. On April 3, 2014, a judgment in the criminal case was entered against MacDonald. He was sentenced to a prison term of 60 months followed by three years of supervised release and ordered to make restitution in an amount to be determined, but not less than \$ 8.5 million.

5. The counts of the criminal information to which MacDonald pled guilty alleged, inter alia, that MacDonald intentionally defrauded investors and obtained money and property by means of materially false and misleading statements and that he used the interstate wire communications facilities or caused another to use interstate wire communications facilities for the purpose of carrying out the scheme.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

- A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and
- B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary