

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

Administrative Proceeding File No. 3-16386

In the Matter of
Timothy W. Carnahan
Respondents

Response to DOE response - pursuant to Rule
of Practice 450(a):

Per Order:

Release No. 91224 / February 26, 2021

Respondents (Timothy W. Carnahan) for the record.

Whoever this Mark Hunter person is – we as the respondents concur with the request for oral arguments; however, with respect to the process, we were not sure we needed a “leave of court” request.

We are filing this response as requested by the ORDER in question – we also state that **IF THE DOE RESPONDS IT IS A VIOLATION OF RULE**. It is tricky here as what the SEC could respond to but from the respondent’s position – and by rule as stated in the said order the **SEC DOE CANNOT RESPOND TO THIS LAST BRIEFING**.

Nevertheless, we believe the SEC DOE has **lied** and we want to put the SEC DOE attorneys on **oath** as this Mark Hunter person pointed out oral briefings. We were denied this request in 2015; if the SEC attorneys can lie – and the Judges drink the lies (KOOL-AID) then there is **NO JUSTICE!**

KEEP READING!

We further believe that the judges in this case have “drink the Kool-Aid” but we hold them accountable for their actions just as we attempted to do in the hearing. For example,

From the SEC DOE response, ***CYIOS’s Forms 10-K for 2009, 2010, and 2011 all include a statement in Item 9(A)(T) that management has evaluated and assessed the effectiveness of ICFR using the COSO Framework and concluded that its ICFR was “effective.” (Exs. 3,11,12).4 .***

The above is a BOLD FACE LIE! Don’t listen to us the respondents read our filings as the below is what we stated.

Excerpt :

<https://www.sec.gov/Archives/edgar/data/0001091566/000109156611000021/cyios201010k.htm>

We evaluated and assessed the effectiveness of our internal control over financial reporting as of December 31, 2007, using criteria set forth in the Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The reason the SEC DOE LIED is because they thought we violated the Sarbanes Oxley rule. They were wrong!

NOTICE THAT INITIAL DECISION HAS BECOME FINAL

The time for filing a petition for review of the initial decision in this proceeding has expired. No such petition has been filed by Traci J. Anderson, CPA, and the Commission has not chosen to review the decision on its own initiative.

Accordingly, notice is hereby given, pursuant to Rule 360(d) of the Commission's Rules of Practice,¹ that the initial decision of the administrative law judge has become the final decision of the Commission with respect to Traci J. Anderson, CPA. The initial decision ordered that this proceeding is dismissed as to Traci J. Anderson, CPA.²

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Brent J. Fields
Secretary

So they lied and **created a narrative** to save face and at the expense of the respondents!

Lets take it to another notch!!!

SEC DOE stated: from the TOC (table of contents)
CYIOS's internal controls did not comply with the COSO framework ..17
TOTAL LIE!

KEEP READING FOR THE TRUTH and the LIES THAT THE SEC DOE HAVE STATED!!!
Let's NOTE: The SEC DOE deceives the court, judges and public; Yes, the EXCERPT we provided above is from 2007! Yikes --- **Explain why the SEC DOE stopped at 2009.** Let us point this out!!!

Page 14 from DOE response:

CYIOS's Forms 10-K for 2009, 2010, and 2011, and its Forms 10-Q for each quarter of 2010, 2011, and 2012 also inaccurately state that management assessed ICFR in accordance with COSO.

Sorry – **we have been using our GREAT SOFTWARE SINCE 1996!** We have the same statement in all our filings! We merged in 2005 using our GREAT SOFTWARE! SUPPORTING the HIGHEST LEVELS IN THE UNITED STATES DEPARTMENT OF DEFENSE!!!!!!!!!!!!!! Yes it complies with 7 CFR § 1773.32.

IT IS ABSOLUTELY **UNREASONABLE** FOR A COMPANY TO DO BUSINESS AT **TOP SECRET** LEVEL WITH UNITED STATES AND NOT HAVE INTERNAL CONTROLS as required by law 7 CFR § 1773.32 - Report on internal control over financial reporting and on compliance and other matters.

Funny thing we submitted our document in 2014 with an outside consultant that proved our software and internal controls where at the level of CMMI 5 as required by law stated above and as stated in all our filings (see page 2 or just look it up yourself on the sec.gov web site) --- funny thing – the last Judge Grimes stated – “I cannot let that into evidence”. WHAT A JOKE – IT IS ALREADY IN EVIDENCE from 2014.

SEE NEXT PAGE!!!

Excerpt from Opening Brief!

Respondents email during the SEC investigation showing proof of the software is ISO 9000:2008 compliant as one recognized control frameworks used for ICFR. See the attached (Exhibit A) (Continuous_Process_Improvement_Support.docx) that was in the said email below.

Date Sent: Monday, August 25, 2014 2:28:25 PM Sent From: "Timothy Carnahan" <carnahan@cyios.com> Sent To: "King, David R." <KingDR@SEC.GOV> Sent CC: "McGuire, Margaret S." <MCGUIREM@SEC.GOV>, "Peavler, David L." <PeavlerD@SEC.GOV>, "Woodcock, David R." <WoodcockD@SEC.GOV> Subject: RE: Re: CYIOS Corporation (FW-3921) Attachments:

[Continuous_Process_Improvement_Support.docx] 4 | P a g e

David,

A. From my earlier email, I've attached how the processes (ME, MYSELF and I) created to run CYIOS (CYIO).

A.1 These processes to ALL of the invoicing and payroll that are incorporated into our SEC filings. Traci is more or less a bookkeeper in her capacity as a contractor. Our website has many purposes --- none have been formally deemed for use for our shareholders. Please see 2008 SEC guidance on use and historical factors.

A.2 Please read as all my "Internal Controls" related to financial reports are covered through my automation of the processes.

B. My claim is that the SEC failed to evaluate these processes and further ignored my testimony; thus coming to the wrong conclusions.

B.1 I also claim the SEC failed to evaluate under the 2008 guidance --- <http://www.sec.gov/news/press/2008/2008-158.htm>

B.2 My "MAJOR" concern is that the SEC actions have cause a "Hardship" on the company.

C. As for the "Late filings", we received a letter from SEC about our filings, we talked about our situation and the SEC was fine with our form 15 filed May 2014.

My intent is to resolve any concerns as needed immediately, please advise when we can have our next conversation.

Vr, Tim: _____

Timothy W. Carnahan

CEO CYIOS Corporation Ronald Reagan Building 1300 Pennsylvania Ave,700 Washington,20004

powered by www.cyipro.com

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Email response from SEC:

From: "King, David R." <KingDR@SEC.GOV> Date Sent: 8/25/2014 5:15:58 PM To: "Timothy W. Carnahan" <carnahan@cyios.com> CC: "McGuire, Margaret S." <MCGUIREM@SEC.GOV>, "Peavler, David L." <PeavlerD@SEC.GOV>, "Woodcock, David R." <WoodcockD@SEC.GOV> Subject: RE: Re: CYIOS Corporation (FW-3921)

Mr. Carnahan,

We will consider the material you provided and will get back to you to propose times that we can discuss this matter.

David R. King, CPA

U. S. Securities and Exchange Commission
Enforcement Division

What's our point --- the SEC DOE pivots from one point to another just to save face.
NOT WORKING MY FRIEND!!!

HERE IS THE REAL ISSUE – SEC ROBO COP FAILED; THE **LUNITICS** OF LAWYERS AND KOOL-AID DRINKING **JUDGES** COULD NOT FAIL TO A PERSON AS THEY ***PUT IT WITH NO EDUCATION***. The respondents pled the fifth for many reasons and further motioned the judge to recuse himself as he and the attorney discussed a playbook during the hearing; yet this recusal request is a short circuit as he ruled on himself; **what judge if wrong would admit it.**

The respondents will tell you an SEC Administrative Judge will drink KOOL-AID everyday of the week! --- LOOK AT THE RECORD JUDGE ELLIOT STATED ON RECORD “WE CAN DO WHAT EVER WE WANT TO DO” --- Sorry NO YOU CAN'T and THE SEC DOE ACTIONS ONLY IS GOING TO COST THE GOVERNMENT!

About rule 220 – I would suggest that based on the fact that this was under an UNOFFICIAL JUDGE and REMANDED BACK TO HEARING. THIS **ARGUMENT IS MOOT**. HEIRWITHIN, the respondents will state – we did respond – and in 2015 DEC JUDGE ELLIOT COFRIMED OUR INNOCENTS. EXCERPT BELOW:

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For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Brent J. Fields
Secretary

More on point with rule 220!

We are asking (not sure how to do this) but we are asking an **immediate dismissal** of this case base on the abuse of SEC DOE using irrelevant information as stated above.

Lets NOT forget the SEC DOE is categorized just like local police – they can be and will be sued!!!!

CONCLUSION - REQUEST to DISMISS CLAIMS AWARD \$100,000,000.

Based upon above, CYIOS respondents request for dismissal of the Administrative Proceeding collectively and further puts the next move on the SEC Commission to restore the SEC Administrative process with integrity, honor, and respect – most importantly restore public's trust.

At this time, the respondents have damages totaling \$100,000,000! That is ONE HUNDRED MILLION DOLLARS.

IF THE SEC COMMISSION WANTS TO PLAY GAMES – LEAVE IT TO THE FEDERAL COURTS!

DON'T FORGET ABOUT RULE 900 – SEC HAS ALREADY VIOLATED THE RESPONDENT RIGHTS ON AMBIGUOUS RULES in 2016!

THE RESPONDENTS DECLARE:

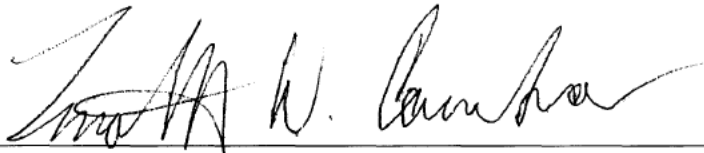
The Fifth Amendment and Fourteenth Amendment to the United States Constitution declare that governments cannot deprive any person of "life, liberty, or property" without due process of law. Also, Article 3 of the Universal Declaration of Human Rights reads, "Everyone has the right to life, liberty, and security of person".

The SEC has VIOLATED the RECONDANTS RIGHTS!

NOTWITHSTANDING, THE SEC DOE ATTORNEYS ARE LYERS, DECIETFUL HUMAN BEINGS AND HAVE ABUSE POWERS OF THE GOVERNMENT OF UNITED STATES – ALL BECAUSE OF VENGEANCE BASED UPON THE RESPONDENTS OPENING BRIEF! READ IT AGAIN IF YOU MISSED IT!

Timeliness: Current Date March 27th, 2021 is within timeline set in the said Order Release No. 91224 / February 26, 2021; this is filed timely.

Signed,

A handwritten signature in black ink, appearing to read "Timothy W. Carnahan". The signature is written in a cursive style with a large initial "T".

Timothy Carnahan

(date)

2021-02-24

Service List

In accordance with Rule 150(a) of the Commission's Rules of Practice, I hereby certify that a true and correct copy of the foregoing document was served on the persons listed below on the 24th Day of February 2021 under Rules of Practice 150 - 153, 17 C.F.R. § 201.150 – 153; thus, from the ORDER in question use: APFILINGS@SEC.GOV.

Office of the Secretary
100 F Street, NE
Washington, DC 20549

CYIOS Corporation
Timothy W. Carnahan
2637 E Atlantic Blvd #26190
Pompano Beach, FL 33062

Respectfully,
Timothy W. Carnahan

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