UNITED STATES OF AMERICA Before the SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING File No. 3-19864

In the Matter of

Trans-Pacific Aerospace Company, Inc., et al.,

Respondents.

DIVISION OF ENFORCEMENT'S MOTION FOR <u>DEFAULT AND BRIEF IN SUPPORT</u>

The Division of Enforcement ("Division"), by counsel, pursuant to Commission Rules of Practice Rules 154(a) and 155(a)(2) respectfully moves the Securities and Exchange Commission ("Commission") for an order entering a default against Trans-Pacific Aerospace Company, Inc. ("TPAC") (CIK No. 1422295) and Vertical Computer Systems, Inc. ("VCSY") (CIK No. 1099509) (collectively "Respondents") in this proceeding and ordering the revocation of the registration of each class of Respondents' securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 ("Exchange Act").

Argument

On June 25, 2020, the Commission issued an Order Instituting Proceedings ("OIP") against Respondents which have securities registered with the Commission under Section 12(g) of the Exchange Act. The OIP alleges the Respondents are delinquent in filing their mandated periodic reports. Because Respondents failed to answer or otherwise respond to the

OIP, the Division now seeks entry of an order finding respondents TPAC and VCSY to be in default in this proceeding.

Commission Rule of Practice 220(b) states that where an answer is required to be filed by rule or order, the respondent "shall do so within 20 days after service upon the respondent of the order instituting proceedings" unless a different period is provided by rule or order. Here, the OIP requires "an Answer [to be filed] to the allegations contained in this Order within ten (10) days after service of this Order." OIP at IV. Commission Rule of Practice 160(a) provides that Saturdays, Sundays and Federal legal holidays are to be counted as part of the 10 day period, and Commission Rule of Practice 160(b) extends that time by three days if service is made by mail.

The Declaration of Gina Joyce to Assist Secretary with Record of Service (attached hereto as Exhibit A) ("Joyce Declaration") establishes that on August 3, 2020, TPAC was served by Express Mail delivery with the OIP, along with a letter from the Commission's Secretary, and a letter from the Division offering discovery pursuant to Rule of Practice 230 (collectively the "Service Documents"), at the address provided in its last EDGAR filing with the Commission, in accordance with Commission Rule of Practice 141(a)(2)(ii). TPAC's answer to the OIP was due by Thursday, August 13, 2020. However, TPAC has neither filed an answer nor made any other response to the OIP in this proceeding.

The Joyce Declaration also establishes that on August 3, 2020, VCSY was served by Express Mail delivery with the Service Documents at the address provided in its last EDGAR filing with the Commission, in accordance with Commission Rule of Practice 141(a)(2)(ii).

VCSY's answer to the OIP was due by Thursday, August 13, 2020. However, VCSY has neither filed an answer nor made any other response to the OIP in this proceeding.¹

The Respondents at issue are delinquent in their filings with the Commission and have been delinquent for over two years. In addition, the Respondents' failure to answer supports revocation of the registration of each class of Respondents' securities. Accordingly, the Division moves for an order, pursuant to Rule 155(a)(2), finding these Respondents to be in default in this proceeding and ordering that the registration of each class of their securities registered pursuant to Exchange Act Section 12 be revoked.

Conclusion

For the reasons set forth above, the Division respectfully requests that the Commission:

1) grant the Division's Motion; 2) enter an order of default against Trans-Pacific Aerospace

Company, Inc. and Vertical Computer Systems, Inc.; and 3) revoke the registration of each class of their securities registered pursuant to Section 12 of the Exchange Act.

Dated: November 3, 2020 Respectfully submitted,

David Misler

David Misler (202) 551-2210 Gina Joyce (202) 551-4850

Securities and Exchange Commission

100 F Street, N.E., Room 5120 Washington, D.C. 20549-5010

COUNSEL FOR DIVISION OF ENFORCEMENT

¹ By motion dated July 21, 2020, a shareholder of VCSY filed a motion to file an amicus brief or alternatively, to state views, which was granted on August 18, 2020. After the Order Granting the Motion to State Views was served upon the Division, the Division requested the motion from the Office of the Secretary on August 18, 2020, since the motion had not been served upon the Division. Thereafter, the Division filed a response. The shareholder's views do not impact the fact that VCSY is both delinquent in its mandated filings and in default.

CERTIFICATE OF SERVICE

I hereby certify that true copies of the Division of Enforcement's Motion for Default and Brief in Support were served on the following on this 3rd day of November, 2020, in the manner indicated below:

By Email:

Office of the Secretary Securities and Exchange Commission 100 F Street, N.E. Washington, D.C. 20549-2557

By UPS:

Trans-Pacific Aerospace Company, Inc. 2975 Huntington Drive Suite 107 San Marino, CA 91108

By UPS

Vertical Computer Systems, Inc 101 West Renner Road Suite 200 Richardson, Texas 75082

Gina Joyce
Gina Joyce

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ADMINISTRATIVE PROCEEDING File No. 3-19864

In the Matter of

Trans-Pacific Aerospace Company, Inc., et al.,

Respondents.

DECLARATION OF GINA JOYCE TO ASSIST SECRETARY WITH RECORD OF SERVICE

GINA JOYCE, pursuant to 28 U.S.C. § 1746, declares:

- 1. I am a Senior Counsel with the Division of Enforcement ("Division") of the Securities and Exchange Commission, and co-counsel for the Division in the captioned administrative proceeding. I am submitting this Declaration to assist the Office of the Secretary ("Secretary") in maintaining a record of service on the Respondents in the captioned proceedings pursuant to Securities and Exchange Commission ("Commission") Rule of Practice 141(a)(3).
- 2. Among other means, Commission Rule of Practice 141(a)(2)(ii) permits service on a corporation or entity by delivering a copy of an Order Instituting Administrative Proceedings ("OIP") to an agent authorized by appointment or law to receive such service or, in the case of an issuer with a class of securities registered with the Commission, by sending the OIP via U.S. Postal Service certified, registered, or Express Mail and obtaining a confirmation of attempted delivery on the most recent

address shown on the entity's most recent filing with the Commission. Further, the OIP in this matter authorizes service of the OIP "by any means permitted by the Commission's Rules of Practice." Therefore, the Division asked the Commission's Secretary to first attempt service on the Respondents via U.S. Priority Mail Express.

- 3. The Secretary provided me with the U.S. Priority Mail Express tracking numbers for the copies of the OIPs¹ that were mailed by the Secretary to the Respondents in these proceedings. I input each of the tracking numbers into the U.S. Postal Service's ("USPS's") package tracking system on its Internet website located at www.usps.com, and printed out the tracking confirmations in order to obtain confirmation of the delivery or attempted delivery of the OIP on each respondent. A true copy of the tracking confirmations for both Respondents for whom express mail service was attempted is attached as Exhibit 1, hereto.
- 4. The Secretary mailed the OIP to Respondent Trans-Pacific Aerospace Company, Inc., CIK 1422295 ("TPAC"), via U.S. Priority Mail Express, Tracking No. EJ 127 655 132 US, to the address shown on its most recent EDGAR filing at 2975 Huntington Drive, Suite 107, San Marino, CA 91108. This address is taken from TPAC's last filing with the Commission, which was a Form 12b-25 filed with the Commission on February 6, 2018. The USPS tracking system confirms that the package was delivered on August 3, 2020. *See* Exhibit 1 at pp. 1 2.
- The Secretary mailed the OIP to Respondent Vertical Computer Systems, Inc.,
 CIK 1099509 ("VCSY"), via U.S. Priority Mail Express, Tracking No. EJ 127 655 092
 US, to the address shown on its most recent EDGAR filing at 101 West Renner Road,

¹Each service package included the OIP, a letter from the Commission's Secretary, and a letter from the Division offering discovery pursuant to Rule of Practice 230.

Suite 200, Richardson, Texas 75082. This address is taken from VCSY's last filing with the Commission, which was a Form 8-K filed with the Commission on September 24, 2019. The USPS tracking system confirms that the package was delivered on August 3, 2020. *See* Exhibit 1 at pp. 3 - 4.

I declare under penalty of perjury that the foregoing is true and correct. Executed on September 28, 2020.

Gina Joyce	
Gina Joyce	

USPS Tracking®

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Remove X

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August 3, 2020 at 9:37 am Delivered, In/At Mailbox SAN MARINO, CA 91108

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August 3, 2020, 9:37 am

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August 3, 2020, 7:19 am

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August 2, 2020, 11:28 pm

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August 2, 2020

In Transit to Next Facility

August 1, 2020, 6:41 pm

Arrived at USPS Regional Facility
SANTA CLARITA CA DISTRIBUTION CENTER

August 1, 2020, 11:45 am

Arrived at USPS Facility ARCADIA, CA 91006

August 1, 2020, 9:25 am

Arrived at USPS Facility GLENDALE, CA 91209

July 31, 2020, 11:18 pm

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July 31, 2020, 4:42 pm

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July 31, 2020, 5:24 am

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Get Updates ✓

Text & Email Updates Proof of Delivery Tracking History

August 3, 2020, 1:18 pm

Delivered, In/At Mailbox RICHARDSON, TX 75082

Your item was delivered in or at the mailbox at 1:18 pm on August 3, 2020 in RICHARDSON, TX 75082.

July 31, 2020, 5:24 am Arrived at USPS Regional Facility

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GINA JOYCE 202-551-4850 SEC-ENFORCEMENT 100 F STREET NE WASHINGTON DC 20549 0.5 LBS LTR

1 OF 1

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101 WEST RENNER ROAD
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