

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-20823

<p>In the Matter of</p> <p>LYNN D CAWTHORNE,</p> <p>Respondent.</p>
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DIVISION’S FILING OF ADDITIONAL PROOF OF SERVICE
UPON RESPONDENT LYNN D. CAWTHORNE

Pursuant to the Commission’s December 22, 2023 Order Regarding Service, the Division of Enforcement (“Division”) files this response and additional proof of service upon Respondent Lynn D. Cawthorne on July 13, 2022, by process server pursuant to Rule 141(a)(1), 17 C.F.R. § 201.141(a)(1), of the Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940 and Notice of Hearing (“Order”).

1. On July 25, 2022, the Division filed an Amended Notice of Service, notifying the Commission that it had made arrangements for service upon Respondent by process server at the prison where he was then serving his sentence. The Amended Notice attached an Affidavit of Service by Renee Kendrick, which stated that on July 13, 2022, Ms. Kendrick served the Order and other pleadings¹ on Officer Pawnee, the “officer found in charge” at the prison. *See* R. Kendrick Affidavit, attached as Exhibit 1 hereto.

¹ In addition to the Order, the package Ms. Kendrick served upon Officer Pawnee included copies of the Division’s Notice of Filing Proof of Service, the Division’s Notice that Documents are

2. Respondent did not file an answer or other response to the OIP. Accordingly, on October 22, 2022, the Division filed a Motion for Default and Other Relief, asking that the Commission find Respondent in default and enter remedial sanctions in the public interest, including an associational bar and a penny stock bar.

3. On December 22, 2023, the Commission issued an Order Regarding Service, ordering the Division to provide additional proof of service, specifically, “clarifying whether the prison official [Officer Pawnee] is authorized to accept service of process.”

4. Upon receiving the Order Regarding Service, Division staff reached out to Cavalier CPS (“Cavalier”), the process serving contractor the Division used to serve Respondent. Cavalier’s CCO, Delaney Wyatt, explained that each correctional facility has its own unique procedure for serving process, and many will not allow service directly on inmates. *See* December 26, 2023 Email from D. Wyatt to V. Jacqmein, attached as Exhibit 2. Ms. Wyatt explained that the El Reno, Oklahoma facility only authorized service by the Canadian County Sheriff’s office. *Id.* As such, Cavalier arranged for service of the Order and other documents by the Sheriff’s office; specifically, deputy Renee Kendrick. *Id.* Ms. Wyatt’s internal notes from her conversation with the sheriff’s office state: “Served July 13th 11:30 a.m. Deputy Kendrick handed to Officer Pawnee at FCI who gave to def.” *Id.* Ms. Wyatt further explained that in light of the telephone notes, Cavalier has “no reason to doubt that Officer Pawnee was authorized to accept service for FCI-El Reno inmates, including Lynn Cawthorne.” *Id.*

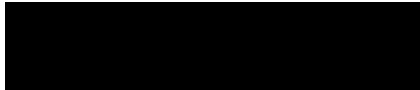
Available for Inspection and Copying, and June 29, 2022 letter from undersigned counsel to Mr. Cawthorne explaining the issuance of the Order, enclosed documents, and providing him with an Offer of Settlement in the event he desired to try to resolve the administrative proceedings against him.

5. Division staff also contacted the Federal Correctional Institution at El Reno, Oklahoma, where Respondent was incarcerated in July 2022. The Division requested confirmation that Officer Pawnee was authorized to accept service on behalf of inmates at El Reno. *See* December 26, 2023 Letter from T. Verges, attached as Exhibit 3. The following day, on December 27, 2023, the Case Manager Coordinator currently providing oversight of the Records Department sent the Division’s paralegal an email stating: “Mr. Pawnee is a Correctional Systems Officer. In his position, *Mr. Pawnee is authorized to accept service on behalf of inmates.*” *See* December 27, 2023 Email from ERE-ExecAssistant-S (BOP) to V. Jacqmein (emphasis added), attached as Exhibit 4.

6. Accordingly, the Division submits that the attached exhibits provide additional proof that Officer Pawnee at the FCI-El Reno facility was authorized to accept service on behalf of Respondent.

January 3, 2024

Respectfully submitted,



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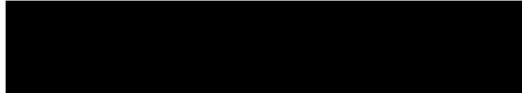
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CERTIFICATE OF SERVICE

Pursuant to Rule 150 of the Commission's Rules of Practice, I hereby certify that on January 3, 2024 the foregoing document was filed using the eFAP system and has been served by certified mail, on the following persons entitled to notice:

CERTIFIED MAIL

Mr. Lynn D. Cawthorne
Register Number 20593-035
c/o RRM Dallas
US Armed Forces Reserve CMPL



Regional Trial Counsel