

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 88913 / May 20, 2020

Admin. Proc. File No. 3-18723

In the Matter of

MARK MORROW

ORDER TO SHOW CAUSE

The Securities and Exchange Commission (“Commission”) issued an Order Instituting Proceedings (“OIP”) on September 5, 2018, pursuant to Section 15(b) of the Securities Exchange Act of 1934, against respondent Mark Morrow.¹ On July 22, 2019, the Commission issued the following briefing schedule pursuant to an agreement that Morrow and the Division of Enforcement had reached during a pre-hearing conference: “the Division’s motion for summary disposition against Morrow is due by August 21, 2019; Morrow’s opposition is due by September 20, 2019; and the Division’s reply is due by October 4, 2019.”²

On July 31, 2019, the Division filed its motion for summary disposition requesting that the Commission bar Morrow from the securities industry. The Division’s certificate of service states that the motion was served on Morrow by U.S. Mail on July 30, 2019. As of the date of this order, however, Morrow has not filed an opposition brief.

Accordingly, Morrow is ORDERED to SHOW CAUSE by June 3, 2020, why the Commission should not find him in default due to his failure to respond to the Division’s motion or to otherwise defend this proceeding.³ When a party defaults, the allegations in the OIP will be

¹ *Mark Morrow*, Exchange Act Release No. 84042, 2018 WL 4216816 (Sept. 5, 2018).

² *Mark Morrow*, Exchange Act Release No. 86428, 2019 WL 3284695 (July 22, 2019).

³ This is the second order to show cause. The first such order, which was issued after Morrow failed to file a timely answer to the OIP or response to the Division’s motion for entry of default and sanctions, was discharged on July 2, 2019, after Morrow responded to the order. *Mark Morrow*, Exchange Act Release No. 86282, 2019 WL 2775916 (July 2, 2019).

deemed to be true and the Commission may determine the proceeding against that party upon consideration of the record without holding a public hearing.⁴

Morrow's submission shall address the reasons for his failure to timely file a response to the Division's motion, as well as the substance of the Division's request for sanctions (including why the Commission should not bar him from association with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization pursuant to Exchange Act Section 15(b)(6)). If Morrow responds to this order to show cause, the Division may file a reply within 21 days after its service.

The parties' attention is called to the Commission's March 18, 2020 order regarding the filing and service of papers in proceedings initiated by an order instituting proceedings.⁵

Upon review of the filings in response to this order, the Commission will either direct further proceedings by subsequent order or issue a final opinion and order resolving the matter.

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

Vanessa A. Countryman
Secretary

⁴ Rules of Practice 155, 180, 17 C.F.R. § 201.155, .180. The failure to timely oppose a dispositive motion is a basis for a finding of default. *See* Rules of Practice 155(a)(2), 180(c), 17 C.F.R. § 201.155(a)(2), .180(c); *see, e.g., Benham Halali*, Exchange Act Release No. 79722, 2017 WL 24498, at *3 n.12 (Jan. 3, 2017). Like failing to timely file an answer, failing to timely oppose a dispositive motion may result in the determination of particular claims, or the proceeding as a whole, adversely to the non-moving party and may be deemed a forfeiture of arguments that could have been raised at that time. *See, e.g., Bennett Group Fin. Servs., LLC*, Exchange Act Release No. 80347, 2017 WL 1176053, at *2-3 (Mar. 30, 2017); *Apollo Publ'n Corp.*, Securities Act Release No. 8678, 2006 WL 985307, at *1 n.6 (Apr. 13, 2006); *McBarron Capital LLC*, Exchange Act Release No. 81789, 2017 WL 4350655, at *3-5 (Sep. 29, 2017).

⁵ *See In re: Pending Administrative Proceedings*, Exchange Act Release No. 88415, <https://www.sec.gov/litigation/opinions/2020/33-10767.pdf>.