

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90452 / November 18, 2020

Admin. Proc. File No. 3-19444

In the Matter of
AURUM, INC. AND ECOSPHERE
TECHNOLOGIES, INC.

ORDER TO SHOW CAUSE AS TO ECOSPHERE TECHNOLOGIES, INC.

The Securities and Exchange Commission (“Commission”) issued an Order Instituting Proceedings (“OIP”) on September 12, 2019, pursuant to Section 12(j) of the Securities Exchange Act of 1934, against Ecosphere Technologies, Inc. (“Respondent”).¹

On October 29, 2019, the Division of Enforcement filed a motion for an order entering a default against Respondent and revoking the registration of its securities. The motion included a Declaration of Charles Davis, which stated that, pursuant to Rule 141(a)(2)(ii) of the

¹ *Aurum, Inc.*, Exchange Act Release No. 86954, 2019 WL 5339810 (Sept. 12, 2019).

Commission's Rules of Practice,² service of the OIP was made on Respondent on September 16, 2019.³

As stated in the OIP, Respondent's answer was required to be filed within ten days of service of the OIP.⁴ As of the date of this order, Respondent has not filed an answer. The prehearing conference and the hearing are thus continued indefinitely.

Accordingly, Respondent is ORDERED to SHOW CAUSE by December 2, 2020, why the registration of its securities should not be revoked by default due to its failure to file an answer and to otherwise defend this proceeding. When a party defaults, the allegations in the OIP will be deemed to be true and the Commission may determine the proceeding against that party upon consideration of the record without holding a public hearing.

If Respondent fails to respond to this order to show cause, it may be deemed in default, the proceeding may be determined against it, and its securities may be revoked.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 order resolving the matter.

² 17 C.F.R. § 201.141(a)(2)(ii).

³ The OIP also instituted proceedings against Aurum, Inc. The Declaration stated that service of the OIP was made on Aurum, Inc. by mailing the OIP to an address in Southbank, Victoria, Australia taken from Aurum's "last filing with the Commission," a Form 10-K filed with the Commission on October 4, 2017. The Form 10-K shows a Southbank, Victoria, Australia address, *see* 17 C.F.R. § 201.323 (permitting the Commission to take official notice of, for example, "any matter in the public official records of the Commission," such as periodic reports filed in the EDGAR database), and an exhibit to the Declaration shows that delivery of the OIP was attempted at that same address on September 20, 2019. However, the Declaration did not state what steps the Division took to ensure that there was valid service of the OIP on Aurum, including the steps to determine that mail service is an acceptable means of service in Australia. The Division is thus directed to file another declaration in this proceeding with such information. *See* 17 C.F.R. § 201.141(a)(2)(iv) (providing that service may be made upon foreign corporations or entities in a foreign country" by "[a]ny method specified in" Rule 141(a)(2)(ii) "that is not prohibited by the law of the foreign country"); *Alife Corp.*, Exchange Act Release No. 89179, 2020 WL 3529897 (June 29, 2020) (describing that a supplemental declaration established service of the OIP and "that mail service is an acceptable means of service in Singapore").

⁴ Rules of Practice 151(a), 160(b), 220(b), 17 C.F.R. §§ 201.151(a), .160(b), .220(b).

⁵ Rules of Practice 155, 180, 17 C.F.R. § 201.155, .180; *see Aurum, Inc.*, 2019 WL 5339810 ("If Respondents fail to file the directed Answers, . . . [they] may be deemed in default and the proceedings may be determined against them . . .").

The parties' attention is called to the Commission's March 18, 2020 order regarding the filing and service of papers and stating that pending further order of the Commission parties to the extent possible shall submit all filings electronically at apfilings@sec.gov.⁶

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

Vanessa A. Countryman
Secretary

⁶ See *Pending Administrative Proceedings*, Exchange Act Release No. 88415, <https://www.sec.gov/litigation/opinions/2020/33-10767.pdf>.