

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 98434 / September 19, 2023

Admin. Proc. File Nos. 3-19814; 3-19815

In the Matter of

WARREN A. DAVIS
and
GIBRALTAR GLOBAL SECURITIES, INC.

RENEWED ORDER TO SHOW CAUSE

The Securities and Exchange Commission issued an order instituting administrative proceedings (“OIPs”) on May 27, 2020, pursuant to Section 15(b) of the Securities Exchange Act of 1934, against respondent Warren A. Davis.¹ On July 2, 2020, the Division of Enforcement filed the Declaration of Fernando Campoamor Sánchez, which establishes that service of the OIP was made on Davis on June 20, 2020, pursuant to Rule 141(a)(2)(i) of the Commission’s Rules of Practice.² Davis has not filed an answer to the OIP.

On October 6, 2021, the Commission ordered Davis to show cause why he should not be deemed to be in default and why this proceeding should not be determined against him due to his failure to file an answer or otherwise to defend this proceeding.³ It appears that the order to show cause may not have been served properly on Davis. Under the circumstances, we find it appropriate to renew our order to show cause and extend the deadline by which Davis must respond to the order. The prehearing conference and the hearing remain continued indefinitely.

We further note that, on October 16, 2020 and November 16, 2021, the Division filed a motion and a renewed motion, respectively, for entry of default and imposition of remedial sanctions against Davis; and, on May 24, 2023, the Division filed additional briefing and materials concerning those motions. The Division requests that the Commission find Davis in default for not filing an answer and bar him from association with any broker or dealer, and from participating in any penny stock offering, based on the record and the allegations in the OIP. Although it appears the Division properly served those documents on Davis, he did not file

¹ *Warren A. Davis*, Exchange Act Release No. 88962, 2020 WL 2764740 (May 27, 2020). This renewed order to show cause does not apply to another respondent in this proceeding, Gibraltar Global Securities, Inc.

² 17 C.F.R. § 201.141(a)(2)(i).

³ *Warren A. Davis*, Exchange Act Release No. 93265, 2021 WL 4593473 (Oct. 6, 2021).

responses. Davis must also address this failure to respond to the Division's motions when responding to this renewed show cause order.

Accordingly, Davis is ORDERED to SHOW CAUSE by October 3, 2023, why he should not be deemed to be in default and why this proceeding should not be determined against him due to his failure to file an answer, respond to the Division's motions, or otherwise defend this proceeding. Davis's submission shall address the reasons for his failure to timely file an answer or response to the Division's motions, include a proposed answer to be accepted in the event that the Commission does not enter a default against him, and address the substance of the Division's request for sanctions. If Davis files a response to this order to show cause, the Division may file a reply within 14 days after its service.

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.⁴ The OIP informed Davis that a failure to file an answer could result in deeming him in default and determining the proceedings against him.⁵ The failure to timely oppose a dispositive motion is also a basis for a finding of default.⁶ 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.⁷

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.

⁴ Rules of Practice 155, 180, 17 C.F.R. §§ 201.155, .180.

⁵ *Davis*, 2020 WL 2764740, at *2.

⁶ See Rules of Practice 155(a)(2), 180(c), 17 C.F.R. §§ 201.155(a)(2), .180(c); see, e.g., *Behnam Halali*, Exchange Act Release No. 79722, 2017 WL 24498, at *3 n.12 (Jan. 3, 2017).

⁷ See, e.g., *McBarron Capital LLC*, Exchange Act Release No. 81789, 2017 WL 4350655, at *3-5 (Sep. 29, 2017); *Bennett Grp. Fin. Servs., LLC*, Exchange Act Release No. 80347, 2017 WL 1176053, at *2-3 (Mar. 30, 2017), *abrogated in part on other grounds by Lucia v. SEC*, 138 S. Ct. 2044 (2018); *Apollo Publ'n Corp.*, Securities Act Release No. 8678, 2006 WL 985307, at *1 n.6 (Apr. 13, 2006).

The parties' attention is directed to the e-filing requirements in the Rules of Practice.⁸ We also remind the parties that any document filed with the Commission must be served upon all participants in the proceeding and be accompanied by a certificate of service.⁹

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

Vanessa A. Countryman
Secretary

⁸ *Amendments to the Commission's Rules of Practice*, Exchange Act Release No. 90442, 2020 WL 7013370 (Nov. 17, 2020), 85 Fed. Reg. 86,464, 86,474 (Dec. 30, 2020), <https://www.sec.gov/rules/final/2020/34-90442a.pdf>; *Instructions for Electronic Filing and Service of Documents in SEC Administrative Proceedings and Technical Specifications*, <https://www.sec.gov/efapdocs/instructions.pdf>. The amendments impose other obligations such as a redaction and omission of sensitive personal information requirement. *Amendments to the Commission's Rules of Practice*, 85 Fed. Reg. at 86,465–81.

⁹ See Rule of Practice 150, 17 C.F.R. § 201.150 (generally requiring parties to serve each other with their filings); Rule of Practice 151(d), 17 C.F.R. § 201.151(d) (“Papers filed with the Commission . . . shall be accompanied by a certificate stating the name of the person or persons served, the date of service, the method of service, and the mailing address or email address to which service was made, if not made in person.”).