

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4318/November 2, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17574

In the Matter of

ACCEL BRANDS, INC.

ORDER REGARDING SERVICE

On September 26, 2016, the Securities and Exchange Commission issued an order instituting proceedings (OIP) against Respondent under Section 12(j) of the Securities Exchange Act of 1934, alleging that Respondent has securities registered with the Commission and failed to file certain required current and periodic reports.

On October 18, 2016, I ordered the Division of Enforcement to file a declaration regarding the status of service of the OIP on Respondent. On October 31, 2016, the Division filed a response.

The Division's response shows that a copy of the OIP was sent by U.S. Postal Service Certified Mail to "the most recent address shown on [Respondent's] most recent filing with the Commission" but does not show that it "obtained confirmation of attempted delivery." 17 C.F.R. § 201.141(a)(2)(ii). Attached to the Division's response is a printout of the U.S. Postal Service tracking information page, reporting a status of "Business Closed" at a Washington, D.C., location on October 16, 2016, which was a Sunday. Based on the location and time, this status appears to refer to the postal service's attempted return of the package to Commission headquarters, which was completed the following day, and not to an attempted delivery at Respondent's most recent address. Other than the "Business Closed" entry, the tracking information page merely shows the times that package "Arrived at USPS Facility" and "Departed USPS Facility." On the returned envelope, Respondent's address is struck through with marker. The envelope bears a sticker stating "return to sender" and "unable to forward." This alone does not establish confirmation of attempted delivery.

The Division's declaration states that a copy of the OIP was also sent to VCorp Services, LLC, by certified U.S. Mail. The Division's submission, however, contains no evidence that VCorp is a "managing or general agent" of Respondent "or any other agent authorized by appointment or law" to accept service. 17 C.F.R. § 201.141(a)(2)(ii). I take official notice that the Delaware Secretary of State's website lists "unassigned agent" under Respondent's registered agent information. See 17 C.F.R. § 201.323; *Wells Fargo Bank, N.A. v. Wrights Mill Holdings*,

LLC, 127 F. Supp. 3d 156, 166 (S.D.N.Y. 2015) (taking judicial notice of online government records).

The Division should file an updated report on the status of service by November 14, 2016. It appears that the Division has contact information for Respondent's CEO, *see* Decl. ¶ 5, and may wish to pursue service of the OIP on him, as permitted by the Rules of Practice, *see* 17 C.F.R. § 201.141(a)(2)(ii).

James E. Grimes
Administrative Law Judge