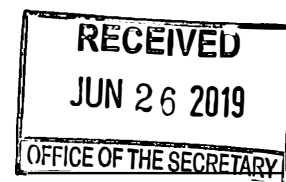


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING
File No. 3-18791

In the Matter of

TRAVIS A. BRANCH,

Respondent.

DIVISION OF ENFORCEMENT'S
REPLY TO RESPONDENT'S
OPPOSITION TO ORDER TO
SHOW CAUSE

Pursuant to the Order to Show Cause, Securities and Exchange Act of 1934 ("Exchange Act") Rel. No. 85970 (May 30, 2019), the Division of Enforcement ("Division") hereby submits its reply to Travis A. Branch's ("Respondent's") opposition to the order to show cause.

I. INTRODUCTION

On September 19, 2018, the Securities and Exchange Commission issued an order instituting an administrative proceedings ("OIP") against Respondent pursuant to Section 15(b) of the Exchange Act and Section 203(f) of the Investment Advisers Act of 1940 ("Investment Adviser Act"). The OIP advised Respondent that on August 7, 2018, the U.S. District Court for the Southern District of Florida had entered an amended final judgment against him, permanently enjoining him from future violations, direct or indirect, of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in *Securities and Exchange Commission v. William Betta, Jr., et al.*, Civil Action Number 09-80803-CIV-MARRA (S.D. Fla.). The OIP summarized the allegations the Division made against Respondent in the complaint and, based on those allegations, advised Respondent that the OIP was initiated to determine: (1) whether the allegations are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; (2) what, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act; and (3) what, if any, remedial action

is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

On May 10, 2019, the Commission issued an order directing the Division to file a status report concerning service of the OIP on Respondent. On May 28, 2019, the Division filed a status report evidencing that service of the OIP was made on September 27, 2018, pursuant to Rule 141(a)(2)(i) of the Commission's Rules of Practice. This meant that Respondent's answer was required to be filed within 20 days of service of the OIP, yet no answer had been filed as of the Commission's May 10, 2019 order.

On May 30, 2019, the Commission issued a show cause order (the "OSC"). The Commission continued the prehearing conference indefinitely and ordered Respondent to show cause by June 13, 2019 "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 and to otherwise defend this proceeding." The Commission gave the Division 14 days from the date of service to file its reply to Respondent's opposition to the order to show cause. The Commission further ordered that if Branch failed to respond to the OSC, then the Division shall file its motion for default and other relief on or before July 11, 2019.

On June 13, 2019, Respondent faxed a handwritten, one line sentence attached to the last page of the Commission's May 30, 2019 OSC saying, "Please explain in writing what I am being accused of. Please be specific as of dates and actions."

II. ARGUMENT

A. Respondent Has Failed to Adequately Respond to the OIP and the OSC, Clearing the Way for the Division to File a Motion for Default and Sanctions on July 11, 2019

Respondent's one sentence response in no way "answers" the OIP and fails to explain why he did not file an answer sooner. Rule 220(c) of the Commission's Rules of Practice provides that an answer "shall specifically admit, deny or state that the party does not have, and is unable to obtain, sufficient information to admit or deny each allegation in the [OIP]." Respondent has done none of these things. Even if the Commission were to generously construe his one

sentence response as a motion for a more definite statement, Rule 220(d) states that such a motion “shall state the respects in which, and the reasons why, each such matter of fact or law should be required to be made more definite.” It does not. Therefore, it is clear that the whole point of Respondent’s one sentence response is to – without cause and for no good reason – further delay these proceedings and put off for as long as possible the sanction that he knows the Division will inevitably seek for his misconduct. The Commission should not allow Respondent to do this, or to flout the Rules of Practice in the process.

The Commission made it clear in its May 10, 2019 order that “[w]hen 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.” The OIP also informed Respondent that a failure to file an answer could result in his being deemed in default and the proceedings determined against him. Respondent chose not to heed any of these clear warnings.

III. CONCLUSION

For the foregoing reasons, the Division respectfully requests that Commission allow the Division to file a motion for default and other relief by July 11, 2019, or by such other date as the Commission deems appropriate.

June 25, 2019

Respectfully submitted,

/s/ Douglas Miller

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CERTIFICATE OF SERVICE

Douglas M. Miller, an attorney, hereby certifies that on June 25, 2019, he caused true and correct copies of the **DIVISION OF ENFORCMENT'S REPLY TO RESPONDENT'S OPPOSITION TO ORDER TO SHOW CAUSE** to be served on the following via UPS Next

Day Air:

Office of the Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-2557

Respondent Travis A. Branch

██████████ ██████████
Kanehoe, HI ██████████

Dated: June 25, 2019

/s/ Douglas Miller
Douglas M. Miller
Division of Enforcement