

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, DC

SECURITIES EXCHANGE ACT OF 1934
Release No. 34-51662/May 6, 2005

ADMINISTRATIVE PROCEEDING
File No. 3-11573

In the Matter of	:	
	:	ORDER GRANTING MOTION
HAROLD F. HARRIS,	:	TO VACATE DEFAULT ORDER
and RONALD E. CREWS	:	
	:	

The Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings on August 3, 2004. On November 3, 2004, I issued a Default Order against both Respondents due to their failure to file Answers. See Exchange Act Release No. 50623. Respondents appealed by letter dated November 10, 2004, and on February 3, 2005, the Commission remanded the proceeding, ordering that Respondents' November 10 letter be considered as a motion to set aside a default. See Exchange Act Release No. 51130.

A motion to set aside a default shall be made within a reasonable time, state the reasons for the failure to appear or defend, and specify the nature of the proposed defense in the proceeding. 17 C.F.R. § 201.155(b). In order to prevent injustice and on such conditions as may be appropriate, the administrative law judge, at any time prior to issuing an Initial Decision, may for good cause shown set aside the default. 17 C.F.R. § 201.155(b).

Respondents submitted their motion to set aside default one week after issuance of the Default Order, alleging that their attorney's mishandling of their case caused the default. Since the Commission remanded the proceeding, Respondents have filed Answers and requested subpoenas. Respondents also participated in the hearing conducted on March 29 and 30, 2005, calling witnesses and introducing exhibits into evidence. Thus, Respondents have actively defended this proceeding since the issuance of the Default Order. For Good Cause Shown, I ORDER that Respondents' motion to set aside the default is hereby GRANTED. See 17 C.F.R. § 201.155(b).

IT IS SO ORDERED.

Lillian A. McEwen
Administrative Law Judge