

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

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 1473/May 30, 2014

ADMINISTRATIVE PROCEEDING  
File No. 3-15844

In the Matter of  
  
KENNETH C. TEBBS

ORDER FINDING RESPONDENT IN  
DEFAULT AND REQUESTING  
MOTION FOR SANCTIONS

The Securities and Exchange Commission (Commission) issued an Order Instituting Proceedings (OIP) on April 16, 2014, pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934. The OIP alleges that Respondent Kenneth C. Tebbs (Tebbs): was from September 2000 until February 2006 a registered representative associated with a registered broker-dealer; devised a plan to obtain money from investors by means of pretenses, representations, and omissions of material fact which he knew were false and misleading; pled guilty on February 11, 2013, to one count of wire fraud in United States v. Tebbs, No. 2:12-cr-672 (D. Utah) (Criminal Proceeding); and was sentenced to seventy-eight months in prison and three years of probation and ordered to pay restitution of \$12,583,599 in the Criminal Proceeding. OIP at 1-2.

Tebbs was served with the OIP on April 21, 2014, in accordance with Rule 141(a)(2)(i) of the Commission's Rules of Practice. See 17 C.F.R. § 201.141(a)(2)(i). Tebbs' Answer was due within twenty days of service of the OIP, or by May 14, 2014. See OIP at 2; 17 C.F.R. § 201.220(b). Tebbs did not file an Answer. On May 15, 2014, Tebbs was ordered to show cause by May 29, 2014, why this proceeding should not be determined against him for failing to file an Answer. Kenneth C. Tebbs, Admin. Proc. Rulings Release No. 1436, 2014 SEC LEXIS 1665. Tebbs did not respond to the Order to Show Cause. Accordingly, Tebbs is deemed to be in default for failing to file an Answer, respond to the Order to Show Cause, or otherwise defend this proceeding.<sup>1</sup> See 17 C.F.R. §§ 201.155(a), .220(f).

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<sup>1</sup> Tebbs is notified that he may move to set aside the default pursuant to Rule 155(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.155(b), which states:

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. In order to prevent injustice and on such conditions as may be appropriate, the hearing officer, at any time prior to the filing of the initial decision, or the Commission, at any time, may for good cause shown set aside a default.

It is ORDERED that the Division of Enforcement (Division) shall file a motion for sanctions by June 20, 2014. The motion shall provide legal authority and evidentiary support relating to the allegations set forth in the OIP and sanctions sought by the Division in accordance with Rapoport v. SEC, 682 F.3d 98 (D.C. Cir. 2012).

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Cameron Elliot  
Administrative Law Judge