

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 3844/May 16, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17157

In the Matter of

STEVEN ZOERNACK AND
EQUITYSTAR CAPITAL MANAGEMENT, LLC

ORDER TO SHOW CAUSE

On March 8, 2016, the Securities and Exchange Commission issued an order instituting administrative and cease-and-desist proceedings (OIP) against Respondents pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940, and Section 9(b) of the Investment Company Act of 1940. On April 12, 2016, the Division of Enforcement submitted certifications which demonstrated that Respondents were personally served with the OIP by a process server on April 7, 2016, in accordance with Commission Rule of Practice 141(a)(2)(i), (ii), 17 C.F.R. § 201.141(a)(2)(i), (ii).

Respondents' answers were due May 11, 2016. *Steven Zoernack*, Admin. Proc. Rulings Release No. 3756, 2016 SEC LEXIS 1214 (ALJ Apr. 1, 2016). By May 12, 2016, the parties were required to hold a prehearing conference without the hearing officer, and they were to file a joint prehearing conference statement by May 13. *Id.* To date, Respondents have not filed answers. On May 13, 2016, the Division filed a unilateral prehearing conference statement establishing that, despite notice, Respondents failed to participate in a prehearing conference or prepare a joint prehearing conference statement.

Accordingly, Respondents are ORDERED to SHOW CAUSE by May 23, 2016, why this proceeding should not be determined against them due to their failure to file answers or otherwise defend the proceeding. If Respondents fail to respond to this order, they will be deemed in default. OIP at 8; 17 C.F.R. §§ 201.155(a)(2), .220(f).

The parties are reminded to email electronic courtesy copies of any filings in this proceeding in Word and PDF text-searchable format to ALJ@sec.gov.

Jason S. Patil
Administrative Law Judge