

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 95453 / August 9, 2022**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 6082 / August 9, 2022**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20951**

**In the Matter of**

**DUSTIN PAUL SHAFER,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
AND SECTION 203(f) OF THE  
INVESTMENT ADVISERS ACT OF 1940,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Dustin Paul Shafer (“Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III.2. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant To Section 15(b) Of The Securities Exchange Act of 1934 And Section 203(f) Of The Investment Advisers Act Of 1940, Making Findings, And Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Dustin Paul Shafer was associated with SEC-registered broker-dealers and investment advisers as a registered representative and an investment adviser representative between June 17, 2008 and November 4, 2020. Shafer, age 45, resides in Springfield, Illinois.

2. On January 29, 2021, the Illinois Secretary of State, Securities Department entered an Order of Prohibition (the "Illinois Order") against Shafer which prohibited him from the offer or sale of securities in or from the State of Illinois, and prohibited him from engaging in the business of an investment adviser representative in or from the State of Illinois. In the Matter of Dustin Paul Shafer (File No. 2001056, Order of Prohibition, January 29, 2021).

3. The Illinois Order found that Shafer took personal loans from an 89 year old brokerage customer and failed to repay the loans. The Illinois Order found that from January 29, 2019 to March 2, 2020, Shafer borrowed a total of \$58,678 through four personal loans which she paid from her personal checking account. The Illinois Order further found that on or around September 24, 2019, upon taking the third loan, Shafer signed a promissory note evidencing the three loans, but the note did not provide for security, interest, or a repayment schedule, and that, on this same date, Shafer gave the customer a check for \$10,000 postdated to April 15, 2020, and advised her not to attempt to cash it until after the post date. According to the Illinois Order, Shafer closed his bank account before the customer presented the check for payment in July 2020. As of January 29, 2021, the date of the Illinois Order, Shafer had not repaid any of the loans. The Illinois Order stated that during the timeframe when these loans were being made, Shafer continued to manage the customer's accounts as a broker and executed many buys and sells in her account. The Illinois Order found that Shafer's conduct violated Section 12.F. of Illinois Securities Laws of 1953 [815 ILCS 5/1 et. Seq.] which states that "it shall be a violation ... for any person to engage in any transaction, practice or course of business in connection with the sales of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Shafer's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Shafer be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Shafer be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for

purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman  
Secretary