

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 96584 / December 27, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-21263

<p>In the Matter of</p> <p>ONWUKA AFAME,</p> <p>Respondent.</p>

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
17A(c)(3) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING**

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 17A(c)(3) of the Securities Exchange Act of 1934 (“Exchange Act”), against Onwuka Afame (“Respondent” or the “Afame Trust”).

II.

After an investigation, the Division of Enforcement alleges that:

A. SUMMARY

1. The Afame Trust failed to amend its transfer agent registration Form TA-1 to provide an accurate phone number after that phone number changed, failed to file a required annual report for 2021, failed to furnish required records to the Commission upon request, and failed to permit Commission staff to conduct an examination of all records related to its transfer agent business. As a result, the Afame Trust violated several securities statutes and Commission regulations.

B. RESPONDENT

2. The Afame Trust registered with the Commission as a transfer agent on December 21, 2020. It filed an amended registration form on February 5, 2021, listing an address in Staten Island as its business address and Afame Onwuka (“Onwuka”) as “Treasurer.”

3. According to the Afame Trust's Form TA-1/A, filed on February 2, 2021, it is a corporation primarily owned by Yungasi, Inc. Onwuka submitted the amended registration form, using the title of "Treasurer/CEO/CFO/Owner of Yungasi Inc." The Afame Trust does not appear to be incorporated in any state. According to another Form TA-1/A, filed on February 5, 2021, the Afame Trust is a trust for which Onwuka is a treasurer and is acting under his authority as trustee.

C. FACTS

4. Transfer agents must register with the Commission by filing a Form TA-1 and complete the form in accordance with its instructions. *See* Section 17A(c)(2) of the Exchange Act [15 U.S.C. § 78q-1] and Rule 17Ac2-1(a) [17 C.F.R. § 240.17Ac2-1(a)] thereunder.

5. On November 25, 2020, the Afame Trust applied for registration as a transfer agent with the Commission by filing a Form TA-1. The registration became effective on December 21, 2020.

6. If any of the information reported on Form TA-1 becomes inaccurate, misleading, or incomplete, the transfer agent must correct the information by filing an amendment within 60 days following the date on which the information became inaccurate, misleading, or incomplete. *See* Rule 17Ac2-1(c) [17 C.F.R. § 240.17Ac2-1(c)]

7. On February 2, 2021, the Afame Trust filed an amended Form TA-1 with the Commission, changing its phone number under the question pertaining to the "principal office where transfer agents activities are, or will be, performed." On February 5, 2021, the Afame Trust filed a second amended Form TA-1 with the Commission that included the same phone number.

8. This phone number is not in service, and therefore is not the number for the Afame Trust's principal office. The Afame Trust has not filed an amendment to the Form TA-1 correcting the phone number.

9. Transfer agents registered on December 31 of any given year are required to file an annual report on Form TA-2 by March 31 of the following year summarizing the securities transactions they facilitated and other information related to their services as a transfer agent. *See* Rule 17Ac2-2(a) [17 C.F.R. § 240.17Ac2-2(a)].

10. The Afame Trust filed Form TA-2 for 2020 on February 1, 2021 and an amended annual report on Form TA-2/A on February 4, 2021. In both, the Afame Trust claimed to be involved in the transfer of 50,000 corporate securities with a market value of \$750,000,000.00.

11. The Afame Trust has not filed Form TA-2 for 2021, which was due by March 31, 2022.

12. Transfer agents are required to make, keep, and furnish such records as the Commission, by rule, prescribes ("Required Records"). *See* Section 17(a)(1) of the Exchange

Act [15 U.S. Code § 78q(a)(1)]. All transfer agent records are subject to examination by representatives of the Commission. *See* Section 17(b)(1) [15 U.S. C. § 78q(b)(1)].

13. On February 3, 2022, staff in the Commission’s Division of Examinations (the “Staff”) emailed Respondent and spoke with Onwuka by phone at a number not listed on the Afame Trust’s Form TA-1 and amended Forms TA-1. The Staff informed the Afame Trust that the Division of Examinations had opened an examination.

14. On February 3, 2022, in furtherance of the examination, the Staff sent the Afame Trust, through Onwuka, a document request seeking, by February 14, 2022, Required Records and other documents relating to the Afame Trust’s transfer agent business.

15. The Afame Trust failed to provide the requested documents by the February 14 deadline. The Staff emailed Onwuka on February 15, 2022, requesting a complete response from the Afame Trust.

16. On February 15, 2022, Respondent emailed the Staff one spreadsheet, consisting of three lines of information concerning what appeared to be shareholder data for one issuer.

17. On the same day, the Staff asked Onwuka by email if the Afame Trust intended to provide any other documents in response to the Staff’s document request. He replied, stating that some of the documents were publicly available while other documents were sensitive, and signaled a reluctance to disclose them.

18. On February 17, 2022, Onwuka informed the Staff that the Afame Trust would not cooperate with the examination.

19. On February 22, 2022, the Staff sent the Afame Trust a letter by email and by mail, which was delivered on February 24, notifying it that the failure to provide the Staff with the requested books and records was a violation of Section 17(b) of the Exchange Act.

20. On March 8, 2022, the Staff sent the Afame Trust a letter notifying it that it was non-compliant with Sections 17(a) and (b) of the Exchange Act by failing to furnish requested books and records to the Staff for examination, and with Rule 17Ac2-1(c) by failing to correct the inaccurate number on its most recent Form TA-1 filing.

21. On September 1, 2022, staff in the Commission’s Division of Enforcement (“Enforcement”) sent a Wells notice to the Afame Trust by email to the email address listed on its Form TA-1 and a hard copy via certified mail, return receipt requested, to the principal address on its Form TA-1. A Wells notice informs the recipient that the Enforcement staff has made a preliminary determination to recommend to the Commission that it authorize Enforcement to file an enforcement action against the recipient for violating the federal securities laws. The hard copy of the Wells notice sent by certified mail was returned unopened and stamped “Return to Sender. Not Deliverable As Addressed. Unable to forward,” evidencing that the Afame Trust had a new address.

22. On September 6, 2022, Onwuka and Enforcement staff spoke by telephone and Onwuka acknowledged having received the Wells notice.

D. VIOLATIONS

23. By failing to correct the Afame Trust's principal office address and phone number on Form TA-1 by filing an amendment within 60 days following the date on which the information became inaccurate, misleading, or incomplete, the Afame Trust willfully violated Section 17A(c)(2) of the Exchange Act and Rule 17Ac2-1(c) thereunder.

24. By failing to file the annual report on Form TA-2 for 2021 by March 31, 2022, the Afame Trust willfully violated Section 17A(c)(2) of the Exchange Act and Rule 17Ac2-2(a)(1) thereunder.

25. By failing to furnish Required Records to the Commission as requested, the Afame Trust willfully violated Section 17(a)(1) of the Exchange Act [15 U.S. C. § 78q(a)(1)].

26. By failing to provide records available to examination by representatives of the Commission, the Afame Trust willfully violated Section 17(b)(1) of the Exchange Act [15 U.S. Code § 78q(b)(1)].

27. By violating the regulations promulgated by the Commission, the Afame Trust willfully violated Section 17A(d)(1) of the Exchange Act [15 U.S.C. § 78q-1(d)(1)], which prohibits registered transfer agents from engaging in any activity as transfer agents in contravention of rules and regulations prescribed by the Commission.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford the Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 17A(c)(3) of the Exchange Act including, but not limited to, denial of registration, censure, placing limitations on the activities, functions, or operations of the Afame Trust, suspension for a period not exceeding 12 months, or revocation of the registration of the Afame Trust pursuant to Section 17A of the Exchange Act.

IV.

IT IS ORDERED that a public hearing before the Commission for the purposes of taking evidence on the questions set forth in Section III hereof shall be convened not earlier than 30 days and not later than 60 days from service of this Order at a time and place to be fixed by further order of the Commission, pursuant to Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that the Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.220(b).

IT IS FURTHER ORDERED that the Division of Enforcement and the Respondent shall conduct a prehearing conference pursuant to Rule 221 of the Commission's Rules of Practice, 17 C.F.R. § 201.221, within fourteen (14) days of service of the Answer. The parties may meet in person or participate by telephone or other remote means; following the conference, they shall file a statement with the Office of the Secretary advising the Commission of any agreements reached at said conference. If a prehearing conference was not held, a statement shall be filed with the Office of the Secretary advising the Commission of that fact and of the efforts made to meet and confer.

If the Respondent fails to file the directed Answer, or fails to appear at a hearing or conference after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f), and 201.310.

This Order shall be served forthwith upon the Afame Trust by any means permitted by the Commission's Rules of Practice.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that notwithstanding any contrary reference in the Rules of Practice to service of paper copies, service to the Division of Enforcement of all opinions, orders, and decisions described in Rule 141, 17 C.F.R. § 201.141, and all papers described in Rule 150(a), 17 C.F.R. § 201.150(a), in these proceedings shall be by email to the attorneys who enter an appearance on behalf of the Division, and not by paper service.

Attention is called to Rule 151(a), (b) and (c) of the Commission's Rules of Practice, 17 C.F.R. § 201.151(a), (b) and (c), providing that when, as here, a proceeding is set before the Commission, all papers (including those listed in the following paragraph) shall be filed electronically in administrative proceedings using the Commission's Electronic Filings in Administrative Proceedings (eFAP) system access through the Commission's website, www.sec.gov, at <http://www.sec.gov/eFAP>. Respondent must also serve and accept service of documents electronically. All motions, objections, or applications will be decided by the Commission.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that notwithstanding any contrary reference in the Rules of Practice to filing with or disposition by a hearing officer, all filings, including those under Rules 210, 221, 222, 230, 231, 232, 233, and 250 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.210, 221, 222, 230, 231, 232, 233, and 250, shall be directed to and, as appropriate, decided by the Commission. This proceeding shall be deemed to be one under the 120-day timeframe specified in Rule of Practice 360(a)(2)(i), 17 C.F.R. § 201.360(a)(2)(i), for the purposes of applying Rules of Practice 233 and 250, 17 C.F.R. §§ 201.233 and 250.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that the Commission shall issue a decision on the basis of the record in this proceeding, which shall consist of the items listed at Rule 350(a) of the Commission's Rules of Practice, 17 C.F.R. § 201.350(a), and any other document or item filed with the Office of the Secretary and accepted into the record by the Commission. The provisions of Rule 351 of the Commission's Rules of Practice, 17 C.F.R. § 201.351, relating to preparation and certification of a record index by the Office of the Secretary or the hearing officer are not applicable to this proceeding.

The Commission will issue a final order resolving the proceeding after one of the following: (A) The completion of post-hearing briefing in a proceeding where the public hearing has been completed; (B) The completion of briefing on a motion for a ruling on the pleadings or a motion for summary disposition pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250, where the Commission has determined that no public hearing is necessary; or (C) The determination that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155, and no public hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Vanessa A. Countryman
Secretary