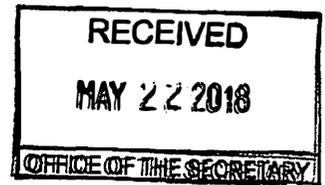


**HARD COPY**



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

**In the Matter of**

**EFUEL EFN CORP.**

**Administrative Proceeding  
File No. 3-18420**

**INFORMATION BEFORE THE COMMISSION  
AT THE TIME OF THE TRADING SUSPENSION**

Pursuant to the Commission's Order Requesting Additional Written Submissions regarding In the Matter of EFUEL EFN CORP. ("the Order"), the Division of Enforcement has attached the Affidavit of John O. Enright dated March 21, 2018, setting forth the substantive facts before the Commission at the time of the trading suspension in the securities of EFUEL EFN CORP. Pursuant to footnote 5 of the Order, the Affidavit does not disclose privileged analysis or sensitive information about the staff's investigative methods. The Division additionally is not filing information if the disclosure of which would otherwise violate applicable federal law or regulations.

By its attorneys,

A handwritten signature in black ink, appearing to read "Christopher J. Dunnigan".

Christopher J. Dunnigan  
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**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**In the Matter of**

**EFUEL EFN CORP.**

**Administrative Proceeding**  
**File No. 3-18420**

**AFFIDAVIT OF JOHN O. ENRIGHT**

I, John O. Enright, hereby swear:

1. I am a Senior Counsel with the United States Securities and Exchange Commission (“Commission”) and have been employed by the Commission as an attorney since 2013 in the New York Regional Office.

2. I submit this Affidavit in compliance with the Commission’s May 7, 2018 Order Requesting Additional Written Submissions (the “May 7 Order”) ordering that the Division of Enforcement file all information that was before the Commission as of March 21, 2018, the date the Commission ordered a suspension of trading in the securities of Efuel EFN Corp. (“Efuel” or “EFLN”).

3. Pursuant to footnote 5 of the May 7 Order, the Division is not filing information which would disclose “privileged legal analysis or sensitive information about the staff’s investigative methods.” The Division additionally is not filing information if the disclosure of which would otherwise violate applicable federal law or regulations.

**Background**

4. Efuel is a non-reporting company incorporated in Florida on September 24, 1997 as “October Project II Corp.”

5. After a series of name and business changes, the company became EFLN on February 7, 2008.

6. EFLN's chief executive officer is Ljubica Stefanovic; her husband, Slavoljub Stefanovic, is the company's chief financial officer.

7. EFLN's principal place of business in Wildwood, Florida appears to be the "Cherokee Trading Post" and "Cherokee Café," a retail store and restaurant operated by the Stefanovics. On November 1, 2010, Slavoljub Stefanovic was found guilty in Florida state court of one count of arson in the second degree, one count of arson to defraud an insurer, and one count of arson to cause bodily harm in connection with his setting fire to the "Cherokee Trading Post." He was sentenced to five years' probation.

8. The company purports to be a holding company with five business lines: (1) solar and wind energy; (2) real estate and agriculture; (3) investments; (4) retail and hospitality; and (5) construction.

9. EFLN's shares have been quoted on OTC Link (previously "Pink Sheets") operated by OTC Markets, under the ticker symbol EFLN, since June 11, 2009.

10. As of March 21, 2018, the company's stock had six market makers. As of March 21, 2018, the company's stock was eligible for the "piggyback" exception of Exchange Act Rule 15c2-11(f)(3).

**OTC Markets Designates Efuel as a Caveat Emptor Issuer**

11. On September 15, 2017, OTC Markets designated EFLN as a "Buyer Beware" or "Caveat Emptor" issuer because of concerns with the adequacy and accuracy of the company's public disclosures, financial statements, and purported "Research Reports."

12. Specifically, OTC Markets designated Efuel as a Caveat Emptor issuer, because, among other things, Efuel filed with OTC Markets the following documents:

- (a) a May 12, 2017 “Research Reported” titled “Efuel EFN CORPORATION HAS BEEN AUDITED BY DEPARTMENT OF REVENUE” that attached as proof a “Notice of Proposed Assessment” from the Florida Department of Revenue for the Cherokee Trading Post;
- (b) a May 5, 2017 “Research Report” titled “Euro-American Finance Network. [sic] Inc. and [sic] Stefanovic Family Plan \$160,000,000.00 (ONE HUNDRED SIXTY MILLION DOLLARA [sic]) to Invest in Efuel EFN Corporation Projects” that claimed “Slavoljub Stefanovic, CFO of EFUEL EFN CORPORATION received \$35,000,000.00 loan approval, and he plan [sic] to invest in EFUEL EFN CORPORATION, wean stock rich \$0.20 [sic]”; and
- (c) multiple balance sheets that did not in fact balance and did not include “cash” as an “asset.”

**Efuel Files its 2017 Annual Statement With OTC Markets**

13. On January 8, 2018, EFLN filed its purported financial statements with OTC Markets. The financial statements stated that they had been “audited” by Mr. Stefanovic himself, through his firm Euro-American Financial Network, Inc.

14. On February 23, 2018, OTC Markets sent a letter to Efuel, in which OTC Markets states that “[w]e have completed our review of your December 31, 2017 Annual Report and related Attorney Letter and have determined that the information contained in these documents

*does not comply* with the OTC Pink Basic Disclosure Guidelines, therefore we are *unable* to remove the caveat emptor flag at this time.” (Italics added) OTC Markets noted in its letter that:

- (a) Efuel did not separately report current assets from long-term assets or current liabilities from long-term liabilities;
- (b) Efuel did not disclose its retained earnings, par value of shares, or number of shares issued, as required under U.S. GAAP;
- (c) Efuel did not disclose “as of” dates for shares authorized, shares outstanding, or float shares; and
- (d) Efuel gave contradictory information by stating on the one hand that no new shares had been sold or offered since 2013 while stating on the other hand that the company had exchanged restricted shares of EFLN for certain properties.

OTC Markets also noted in its letter that “[i]n past reviews we have identified similar deficiencies to you and you continue to submit disclosure that does not resolve these deficiencies.” As a result, OTC Markets directed EFLN to submit revised financial reports and disclosure documents, a new attorney letter, and a letter from a U.S.-registered CPA certifying that the company’s financial reports were prepared in accordance with U.S. GAAP.

15. As of March 21, 2018, Efuel had not submitted the revised documents in accordance with OTC Market’s instructions.

**Efuel Issued Materially False Press Releases and Twitter Statements**

16. On March 19, 2018, Efuel drafted and disseminated a press release, which purports to be a letter from OTC Markets, which states in relevant part, “[w]e have completed our review of your December 31, 2017 Annual Report and related Attorney Letter and have

determined that the information contained in these documents *comply* with the OTC Pink Basic Disclosure Guidelines, therefore we are *able* to remove the Caveat Emptor flag at this time.”

(Italics added) This letter is a doctored version of the accurate letter referenced in paragraph 14 herein. The doctored letter includes the signature block of Michael Vasilios, OTC Markets’ Head of Issuer Compliance, and lists his title, phone number, and email address.

17. Efuel released the doctored letter via Globe Newswire, and additionally posted it on Efuel’s Twitter account (@EfuelEFNCorp). As of March 21, 2018, the letter remained viewable on Twitter and Yahoo Finance.

18. As of March 21, 2018, Efuel’s Twitter feed went on to tout the company’s stock, discuss the company’s purported buyback of its own stock in the open market (e.g., “\$EFLN Corporate to continue Buying shares till price reaches .02”), and gave a description of claimed shorting activity in EFLN stock.

Dated: May 21, 2018

  
\_\_\_\_\_  
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On May 21, 2018, John O. Enright, a person known to me, personally appeared before me and swore under oath the foregoing Affidavit.

**KAREN M. LEE**  
Notary Public- State of New York  
No. 02LE6128567  
Qualified in Kings County  
Commission Expires June 13, 20 21

  
\_\_\_\_\_  
Notary Public  
Commission expires:

**CERTIFICATE OF SERVICE**

I hereby certify that, on May 21, 2018, I served copies of the foregoing, the Division of Enforcement's submission entitled Information Before the Commission at the Time of the Trading Suspension and Affidavit of Christopher J. Dunnigan, by UPS upon the below parties and additionally by facsimile transmission upon the Commission:

**The Commission**  
Office of the Secretary  
Securities and Exchange Commission  
100 F. Street, N.E.  
Washington, D.C. 20549  
(fax) 202-772-9324

**Efuel EFN Corp.**  
1212 South Main Street  
Wildwood, FL 34785

  
\_\_\_\_\_  
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