

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING

File No. 3-19303

March 16, 2021

In the Matter of

**Quicksilver Stock
Transfer, LLC, aka
Quicksilver Stock
Transfer Corporation**

Respondent.

**THE DIVISION OF
ENFORCEMENT'S MOTION TO
DISMISS ADMINISTRATIVE
PROCEEDING**

I. INTRODUCTION

The Division of Enforcement (“Division”) respectfully requests that the Commission dismiss the administrative proceeding against Quicksilver Stock Transfer, LLC, aka Quicksilver Stock Transfer Corporation (“Quicksilver”), instituted pursuant to Section 17A(c)(3)(A) of the Securities Exchange Act of 1934 (“Exchange Act”) based on the entry of an injunction against it, because Quicksilver has voluntarily withdrawn its registration with the Commission as a transfer agent, thus rendering moot the relief sought in this proceeding.

II. RESPONDENT

Quicksilver was a Nevada corporation headquartered in Las Vegas, Nevada. Quicksilver registered with the Commission as a transfer agent on August 8, 2007, and was solely owned and operated by its president, Alan Shinderman, from 2008 to March 2019. On March 1, 2019, Shinderman assigned all of Quicksilver’s stock, property, assets and liabilities to Quicksilver

Inc., represented by Mina Rosen, Shinderman’s older sister, in exchange for \$750,000, payable in \$50,000 annual payments over 15 years. Thereafter, Mina Rosen filed a Form TA-1/A, under Quicksilver’s existing registration, updating the registrant’s name to “Quicksilver Stock Transfer Corp.” and listing herself as the president of that entity, as of April 8, 2019.

On March 2, 2020, Quicksilver Inc. filed a Form TA-W, by which it voluntarily withdrew its registration with the Commission as a transfer agent, which became effective 60 days thereafter. Quicksilver’s corporate status has since been dissolved, it is no longer in business, and its owner, Mina Rosen, is deceased.

III. FACTUAL AND PROCEDURAL BACKGROUND

In August of 2013, Quicksilver received wire transfers totaling \$1,450,000 for the benefit of China Energy Corporation, one of Quicksilver’s issuer-clients. The funds were destined for Depository Trust & Clearing Corporation (“DTCC”) and, ultimately, for certain China Energy’s shareholders who participated in a reverse stock split by the company. Shinderman diverted approximately \$630,000 to his own uses, including \$500,000 to an investment for the benefit of Quicksilver. Specifically, Quicksilver used China Energy’s money without authorization to make a \$500,000 short-term loan to First 100, LLC, a Nevada real estate investment company. The short-term loan did not go as planned and, when the borrower did not pay on time, Quicksilver and Shinderman failed to timely forward China Energy’s funds (other than approximately \$35,000 out of the \$1,450,000) to DTCC despite repeated inquiries from China Energy and DTCC. Shinderman finally paid DTCC in full six weeks later. Neither China Energy nor any of its shareholders suffered any financial loss as a result of the unauthorized loan.

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On January 24, 2018, the Commission filed a complaint in the U.S. District Court for the District of Nevada, against Shinderman and Quicksilver based on the above conduct. *SEC v. Quicksilver Stock Transfer, LLC, et al.*, Case No. 2:18-cv-00131-JCM-PAL (D. Nev.) On July 26, 2019, final judgments were entered in the district court action against Shinderman and Quicksilver, on a neither admit nor deny basis, permanently enjoining each of them from violations of Section 10(b) and 17A(d)(1) of the Exchange Act and Rules 10b-5, 17Ad-12 and 17Ad-13 thereunder, and imposing a \$50,000 civil penalty against Shinderman.

On August 1, 2019, a follow-on administrative order was entered against Shinderman, based on his consent, barring him from association with a transfer agent, broker, dealer, investment adviser, municipal securities dealer, municipal advisor, or nationally recognized statistical ratings organization based on the entry of the injunction against him, with the right to reapply after three (3) years. Also, on that date, the Commission instituted litigated follow-on administrative proceedings against Quicksilver for the purpose of determining whether its registration as a transfer agent should be revoked.¹

In the litigated follow-on administrative proceeding against Quicksilver, Division staff sought the issuance of subpoenas to seek documents and testimony from Shinderman and Rosen to establish that Shinderman's sale of Quicksilver to his older sister was a sham, designed to allow Shinderman to continue to control Quicksilver, and to maintain Quicksilver's registration with the SEC as a transfer agent.

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¹ Although Quicksilver and Shinderman consented to full relief in the district court action, and Shinderman consented to an associational bar in a follow-on administrative proceeding, he took the position that he had sold Quicksilver to his sister and thus, would not and could not agree to its deregistration.

The staff submitted its request for the issuance of subpoenas on September 20, 2019. Pursuant to the Commission's Order dated October 8, 2019, the staff resubmitted its request. Quicksilver filed objections to the staff's request on October 16, 2019, and the staff replied to those objections on October 21, 2019. On November 4, 2019, the Commission issued an order directing the parties to address whether the Commission's Rule of Practice 233 permits parties to notice depositions that proceeding. On December 19, 2019, following the parties' submission of briefs responding to that question, the Commission issued an order suspending the briefing schedule for the submission of dispositive motions, previously set on September 23, 2019, while it considers the parties' filings regarding the issuance of subpoenas. No further orders were entered in the proceeding until January 26, 2021, when the Commission ordered that a public hearing for purposes of taking evidence on the questions set forth in Section III of the OIP shall be convened before an Administrative Law Judge.

Following the issuance of the Commission's January 26, 2021 Order, and in preparation for the prehearing conference held February 10, 2019, the staff conferred with Quicksilver's then counsel² and has confirmed that the following events have occurred since the Order Suspending Briefing Schedule was entered in December 2019: (1) on March 2, 2020 Quicksilver filed a Form TA-W with the Commission to voluntarily withdraw its registration as a transfer agent, which became effective 60 days thereafter; (2) Quicksilver's status as a Nevada corporation has been dissolved and it is no longer in business, and (3) Quicksilver's owner, Mina Rosen, is deceased.

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² On February 17, 2021, an Order was entered by the Administrative Law Judge assigned to this proceeding, construing Quicksilver's counsel's motion to withdraw as a notice of withdrawal and deeming it effective as of February 23, 2021, five business days after it was filed.

IV. CONCLUSION

Accordingly, the Division respectfully requests the Commission dismiss the administrative proceeding against Quicksilver because Quicksilver is no longer registered with the Commission, thus rendering moot the relief sought by this proceeding.

Dated: March 16, 2021

Respectfully submitted,

/s/ Donald W. Searles

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Certificate of Service

In accordance with Rule 150 of the Commission's Rules of Practice, I hereby certify that a true and correct copy of the foregoing Division of Enforcement's Motion to Dismiss Administrative Proceedings was served on the following persons on March 16, 2021, by the method indicated:

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Alan Shinderman

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(By U.S. Mail)

Dated: March 16, 2021

/s/ Donald W. Searles
Donald W. Searles