

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 61137 / December 10, 2009**

**ACCOUNTING AND AUDITING ENFORCEMENT**  
**Release No. 3074 / December 10, 2009**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13707**

<p><b>In the Matter of</b></p> <p><b>Applied Wellness Corporation,</b></p> <p><b>Respondent.</b></p>
--

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**AND NOTICE OF HEARING**  
**PURSUANT TO SECTION 12(j) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**I.**

The Securities and Exchange Commission (“Commission”) deems it necessary and appropriate for the protection of investors that proceedings be, and hereby are, instituted pursuant to Section 12(j) of the Securities Exchange Act of 1934 (“Exchange Act”), against Applied Wellness Corporation (“Applied Wellness” or “Respondent”).

**II.**

After an investigation, the Division of Enforcement alleges that:

1. Applied Wellness Corporation (CIK No. 0001134011) is a Nevada corporation located in San Diego, California. Pursuant to its Form 10-KSB filed on April 15, 2008, it purported to distribute “devices for non-invasive therapeutic applications based on the latest advances in the field of ionic therapies” through its subsidiary, Energy Balance Resources, Inc. The common stock of Applied Wellness has been registered with the Commission under Exchange Act Section 12(g) since April 8, 2001. Applied Wellness common stock is quoted on the Pink Sheets operated by Pink OTC Markets Inc. (symbol: AAWL) and is eligible for the “piggyback” exception of Rule 15c2-11 of the Exchange Act.

2. While its common stock was registered with the Commission, Applied Wellness failed to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-15 thereunder in that it failed to make disclosures in its Form 10-KSB for the fiscal year ended December 31, 2007, filed with the Commission on April 15, 2008, concerning its internal control over financial reporting and disclosure controls and procedures, as required by Items 307 and 308T of Regulation S-B.

3. While its common stock was registered with the Commission, Applied Wellness failed to comply with Exchange Act Section 13(a) and Rule 13a-13 thereunder in that it has not filed any periodic or quarterly reports on Form 10-Q for any fiscal period subsequent to its fiscal quarter ended March 31, 2008.

4. While its common stock was registered with the Commission, Applied Wellness failed to comply with Exchange Act Section 13(a) and Rule 13a-1 thereunder in that it failed to file an annual report on Form 10-K for the fiscal year ended December 31, 2008.

### **III.**

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

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

B. Whether it is necessary or appropriate for the protection of investors, to suspend for a period not exceeding twelve months, or revoke the registration of each class of securities of the Respondent registered pursuant to Section 12 of the Exchange Act.

### **IV.**

IT IS HEREBY ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice [17 C.F.R. § 201.110].

IT IS HEREBY FURTHER ORDERED that 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)].

If Respondent fails to file the directed Answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined

against it 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 Respondent personally or by certified, registered, or Express Mail, or by other means of verifiable delivery.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 120 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice [17 C.F.R. § 201.360(a)(2)].

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.

Elizabeth M. Murphy  
Secretary