

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 74646 / April 3, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16473**

**In the Matter of**

**HAIDER ZAFAR,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
PROCEEDINGS PURSUANT TO SECTION  
15(b) 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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Haider Zafar (“Zafar” or “Respondent”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A. RESPONDENT**

1. From February 2013 to May 2013, Respondent solicited investors to enter into promissory note agreements, claiming, as a result of his family’s finances and influence, he had access to an investment opportunity whereby investors could invest a large sum of money and obtain significant returns, even doubling their investments, in a short period of time. Respondent acted as a broker but has never been registered with the Commission in any capacity. Respondent, 37 years old, is a resident of Miami-Dade County, Florida.

B. ENTRY OF THE RESPONDENT'S CRIMINAL CONVICTION

2. On September 22, 2014, a guilty plea was entered whereby Respondent pled guilty to a 5-count indictment alleging wire fraud in violation of Title 18 of the United States Code, Section 1343 before the United States District Court for the Southern District of Florida, in U.S. v. Haider Zafar, Case No. 14-CR-20617.

3. The counts of the indictment to which Respondent pled guilty alleged, inter alia, that Respondent knowingly, and with intent to defraud, devised and intended to devise, a scheme and artifice to defraud others and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and that he knowingly transmitted and caused to be transmitted, by means of wire communication in interstate commerce, certain writings, signs, signals, pictures and sounds.

4. Respondent acted as an unregistered broker. Respondent held himself out as a broker, solicited investors, and controlled the investment of funds pursuant to the promissory notes issued to investors. The counts of the indictment to which Respondent pled guilty further alleged that Respondent, among other things, raised approximately \$7.5 million from three investors, which Respondent then misappropriated. Respondent misrepresented to the investors that the funds would be invested in an investment opportunity for a short period of time to quickly obtain a significant return. To further induce investors and foster the appearance of credibility, Respondent fabricated a story about his connection to an influential Pakistani family. Furthermore, Respondent received transaction-based compensation in the form of misappropriated funds and spent investor money on personal expenses, including several luxury vehicles and payment for a Miami Heat season-ticket package.

5. On January 16, 2015, the Court sentenced Zafar to 46 months in prison and was ordered to forfeit title and interest in assets and pay restitution in the amount of \$3,524,469.00, which represents the remaining amount of gross proceeds of the fraud.

**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 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 15(b) of the Exchange Act.

#### IV.

IT IS 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 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 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

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 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 Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

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.

Brent J. Fields  
Secretary