

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 79695 / December 27, 2016**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17750**

**In the Matter of**  
  
**BRENT LOVEALL,**  
  
**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**MAKING FINDINGS, AND IMPOSING**  
**REMEDIAL SANCTIONS**

**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 Brent Loveall (“Loveall” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent's Offer, the Commission finds that

1. At all times relevant to these proceedings, Loveall, age 33, was a resident of Tennessee. During the period January 2011 through June 2014, Loveall solicited investors and sold them securities in the form of limited liability partnership interests issued by New Century Coal Inc. ("New Century Coal"). These limited liability partnerships were organized by New Century Coal for the purported purpose of buying interests in, and participating in profits from, the development of various coal mines. Loveall acted as an unregistered broker-dealer in connection with the offer and sale of these securities.

2. Loveall used the mails and private interstate carriers to deliver offering documents related to the investments to these investors. The investors and potential investors were residents of a number of states. Loveall received transaction based compensation for the sale of these securities.

3. On November 10, 2015, Loveall pled guilty to one count of conspiring to commit wire fraud and mail fraud in violation of 18 U.S.C. §§ 1349, 1341 and 1343 before the United States District Court for the Eastern District of Tennessee in United States of America v. Brent Loveall, Case No. 2:14-CR-76. Loveall was sentenced to serve 24 months in prison and later ordered to pay \$14,902,205.04 in restitution (joint and several with other co-defendants). The judgment was entered on May 13, 2016.

4. In connection with that plea, Respondent admitted, inter alia, that:

- a. Loveall marketed New Century Coal as an issuer/sponsor of partnerships with individual investors for the purpose of placing investors in limited liability partnerships in specific coal mine operations, and as the partnership mine operator of each specific coal mine.
- b. New Century Coal never produced coal, never made any sales of coal, and never made any legitimate return on investment to its investors. The purpose of New Century Coal was to defraud investors. Loveall was aware of the foregoing.
- c. Loveall solicited investors for New Century Coal and made false and fraudulent representations to potential and existing investors.

5. According to the plea agreement, the misconduct underlying the conspiracy to commit wire fraud and mail fraud count to which Loveall pled guilty occurred between January 2011 and June 2014.

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Loveall's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Loveall be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Loveall be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields  
Secretary