

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 80402 / April 7, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17907**

**In the Matter of**  
  
**ANTHONY C. ZUFELT,**  
  
**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
PROCEEDINGS AND NOTICE OF HEARING  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**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 Anthony C. Zufelt (“Respondent”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A.     RESPONDENT**

1.       From June 2005 through September 2007, Anthony C. Zufelt, then a resident the State of Utah, was the sole owner of Zufelt Business Services, Inc. (d/b/a Zufelt, Inc.) (“Zufelt, Inc.”) and Silver Leaf Investment, Inc. (“Silver Leaf”). During the time in which he engaged in the conduct underlying the Complaint, as described below, Respondent acted as an unregistered broker or dealer in violation of Section 15(a) of the Exchange Act.

**B.     ENTRY OF THE INJUNCTION**

2.       On January 4, 2016, the United States District Court for the District of Utah granted partial summary judgment against Respondent in the civil action entitled Securities and Exchange Commission v. Anthony C. Zufelt, et al., Case No. 2:10-cv-00574. In doing so, the Court found that Respondent acted as an unregistered broker-dealer in violation of Section 15(a) of the

Exchange Act, and sold unregistered securities in violation of Sections 5(a) and 5(c) of the Securities Act of 1933 (“Securities Act”). On February 22, 2016, the Court entered a default judgment against Respondent on the remaining claims alleged against him, including securities fraud and aiding and abetting claims. On October 7, 2016, the Court entered Final Judgment against the Respondent and permanently enjoined the Respondent from future violations of Section 10(b), Rule 10b-5, and Section 15(a) of the Exchange Act and Sections 17(a), 5(a) and 5(c) of the Securities Act. In addition to enjoining Respondent from future violations of the foregoing securities law provisions, the Final Judgment also enjoined Respondent from participating directly or indirectly in the issuance, offer, or sale of certain securities.

3. The Commission’s Complaint alleged that, from June 2005 through December 2007, Respondent orchestrated and carried out two fraudulent Ponzi schemes through an array of corporate defendants he owned and controlled, including Zufelt, Inc. and Silver Leaf. As part of his schemes, Respondent made numerous false and misleading statements and omissions to investors, including the promise of extraordinary investment returns, the profitability of his business, and the use of investor funds. As a result of and through Respondent’s conduct, Respondent sold securities in Zufelt Inc. and Silver Leaf, soliciting approximately 46 investors into one or both of the companies, and defrauding them of approximately \$2.4 million of their invested funds. Respondent acted as an unregistered broker or dealer when he solicited investors to purchase securities of Zufelt Inc. and Silver Leaf.

4. By virtue of the conduct alleged in the Complaint and on a motion for summary judgment, the Court found that Respondent violated Section 15(a)(1) of the Exchange Act by acting as an unregistered broker-dealer. The Court also found that Respondent violated Section 5(a) and (c) of the Securities Act by offering and selling to investors unregistered securities that did not qualify for an exemption from the registration requirements. The Court also entered a default against Respondent on the Commission’s claims that he committed fraud in violation of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 17(a) of the Securities Act.

### **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;

B. What, if any, remedial action is appropriate in the public interest against Respondents 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, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice, 17 C.F.R. § 201.360(a)(2), the Administrative Law Judge shall issue an initial decision no later than 75 days from the occurrence of one of the following events: (A) The completion of post-hearing briefing in a proceeding where the hearing has been completed; (B) Where the hearing officer has determined that no hearing is necessary, upon completion of briefing on a motion pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250; or (C) The determination by the hearing officer that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155 and no hearing is necessary.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields  
Secretary