

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77653 / April 19, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17218

In the Matter of

DANIEL CHRISTIAN
STANLEY POWELL,

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 Daniel Christian Stanley Powell (“Respondent” or “Powell”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From May 2009 through September 2009, which includes a portion of the time in which Respondent engaged in the conduct underlying the complaint described below, Respondent was a registered representative associated with Tradespot Markets Inc., a broker-dealer registered with the Commission.

B. ENTRY OF THE INJUNCTION

2. On February 24, 2016, a final judgment was entered against Powell, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, in the civil action entitled *Securities and Exchange Commission v. Christian Stanley, Inc., et al.*, Civil Action Number CV-11-7147 GHK (MANx), in the United States District Court for the Central District of California.

3. The Commission’s complaint alleged that from at least March 2009 through August 2011, Powell offered and sold at least \$4.5 million in securities in the form of debentures that promised to pay annual returns ranging from 5% to 15.5% to about 50 investors nationwide, and that the offers and sales of the securities were not registered with the Commission. The complaint further alleged that Powell authored and signed written debenture agreements that represented to investors that their monies would be used to purchase life settlements, to develop coal leases, or to purchase interests in gold mines, and that the investments were secured and collateralized by those purported assets. The complaint further alleged that Powell used less than \$90,000 of the amount he raised, about 2%, toward the represented purposes, and instead spent over 50% of investor funds for improper and undisclosed purposes, including the payment of commissions to sales agents, funding Powell’s lavish lifestyle, and the perpetuation of a Ponzi-like scheme whereby interest due on some of the existing debentures was paid with new investor principal.

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 Respondent pursuant to Section 15(b) of the Exchange Act; and
- C. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to bar Respondent from participating in any offering of 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.

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 personally or by certified mail.

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.

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

Brent J. Fields
Secretary