

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 64134 / March 28, 2011**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14310**

**In the Matter of**

**Anthony Fareri,**

**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 Anthony Fareri (“Respondent” or “Fareri”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A.     RESPONDENT**

1.       From December 2003 through December 2006, Respondent was the president of Fareri Financial Services, Inc. d/b/a Amerifinancial, a broker-dealer registered with the Commission. At all relevant times, Respondent held Series 7, 24 and 63 licenses. For a portion of the time in which he engaged in the conduct underlying the complaint described below, Respondent was also a registered representative associated with broker-dealers registered with the Commission. Respondent participated in an offering of American Financial Holdings, Inc. and Secure Solutions Holdings, Inc. stock, which are penny stocks. Respondent, 45 years old, is a resident of Staten Island, New York.

**B. ENTRY OF THE INJUNCTION**

2. On February 28, 2011, a final judgment was entered by default against Respondent, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder in the civil action entitled Securities and Exchange Commission v. Anthony Fareri, et al., Civil Action Number 09:80360, in the United States District Court for the Southern District of Florida. The Court further enjoined Fareri from participating in an offering of penny stock.

3. The Commission's complaint made the following allegations: In 2004 and 2005 Fareri, then a Florida-based securities broker, defrauded his customers of more than \$4.7 million by purchasing and otherwise acquiring for their accounts worthless shares of two shell companies as part of a fraudulent scheme to manipulate the companies' stock. As part of this scheme, Fareri received secret kickbacks totaling more than \$1 million. The two shell companies used in the fraud, American Financial Holdings, Inc. and Secure Solutions Holdings, Inc., traded on the Over-the-Counter Market and were quoted on the Pink Sheets. Fareri worked together with a Florida investor to create an artificial market for the two stocks. Fareri created the demand for the stocks by purchasing them for the broker-dealer's customers, while the Florida investor controlled the supply of the shares and sold them. Fareri and the Florida investor manipulated the price of the stocks using pre-arranged matched orders to move up the price of these securities and to create the illusion of market demand and independent value that, in reality, did not exist.

**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 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.

Elizabeth M. Murphy  
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Order"), on the Respondent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
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Mr. Anthony Fareri  
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