

**BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS**



In the Matter of:

STEEL CAPITAL INC.
ZACHARIAH JONES

Docket No. 12 E 028
KSC No. 2012-5917

Respondents.

_____/_____
Pursuant to K.S.A. 17-12a604

DEFAULT ORDER OF SANCTIONS

The above-captioned matter comes before the Securities Commissioner of Kansas for further consideration. The Commissioner finds that a Notice of Intent to Impose Administrative Sanctions was duly executed in Topeka, Kansas on June 25, 2012. The Notice of Intent was served upon the Respondents at their address of record by certified, return receipt on June 25, 2012. Respondent Steel Capital Inc. was returned "Unable to Forward." Respondent Zachariah Jones was returned unclaimed. On July 13, 2012, the Notice of Intent was served upon the Respondents at their address of record by U.S. first class mail. Respondent Steel Capital Inc. was returned once more "Unable to forward." Respondent Zachariah Jones is the president and registered agent for Respondent Steel Capital Inc.

Respondent Jones failed to file a request for hearing within thirty (30) days after service of the Notice of Intent on July 13, 2012.

The Notice of Intent contains allegations of fact and law which have not been contested by Respondent Jones pursuant to K.A.R. 81-11-5. The Commissioner hereby finds that the allegations are deemed admitted by the Respondent Jones. Therefore, the Commissioner adopts the allegations

of fact as true and correct findings of fact, and the Commissioner adopts the allegations of law as conclusions of law.

Upon consideration of the reasons set forth in the Notice of Intent, after due deliberation, the Commissioner finds that it is in the public interest and consistent with the purposes of the Kansas Uniform Securities Act that this Order be issued.

IT IS, THEREFORE, ORDERED by the Securities Commissioner of Kansas that Respondent Jones shall pay RESTITUTION in the amount of \$1,000. Said payments shall be made within thirty (30) days of the date of this order, in the form of cashier's checks or money orders made payable to the Office of the Kansas Securities Commissioner. Upon receipt, the Office of the Kansas Securities Commissioner shall distribute the funds to the Kansas investors.

IT IS, FURTHER THEREFORE, ORDERED by the Securities Commissioner of Kansas that Respondent Jones is to immediately CEASE AND DESIST from (1) transacting business in the State of Kansas as a broker-dealer or agent unless the persons engaged in such business are registered under the Kansas Uniform Securities Act or are exempt from registration; (2) employing or associating with any agent transacting business in the State of Kansas unless the agent is registered under the Kansas Uniform Securities Act; (3) offering or selling any security in the State of Kansas unless the security is registered under the Kansas Uniform Securities Act or exempt from registration; and (4) engaging in other acts or practices which constitute violation of the Kansas Uniform Securities Act.

IT IS SO ORDERED.

Entered at Topeka, Kansas, on the 25th day of September, 2012.





Aaron Jack
Securities Commissioner

NOTICES: (1) Pursuant to K.S.A. 17-12a604, any intentional violation of any order issued by the Securities Commissioner of Kansas is a felony criminal offense. (2) This decision may constitute final agency action that is subject to judicial review. The agency officer to receive service of a petition for judicial review on behalf of the Office of the Securities Commissioner is Aaron Jack, Securities Commissioner, at 109 SW 9th Street, Suite 600, Topeka, KS 66612.

Certificate of Service

I hereby certify that on this 27th day of September, 2012, a copy of the above **Default Order of Sanctions** was sent by certified mail, return receipt requested, addressed to the following:

Zachariah Jones
[REDACTED]
[REDACTED]

Zachariah Jones, President
Steel Capital Inc.
[REDACTED]
[REDACTED]

[REDACTED]
Michelle Lancaster
Legal Assistant