

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9155 / November 1, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-14103

In the Matter of

MAZHAR UL HAQUE,

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT
TO SECTION 8A OF THE
SECURITIES ACT OF 1933, MAKING
FINDINGS, AND IMPOSING A
CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) against Mazhar Ul Haque (“Respondent” or “Haque”).

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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (the “Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

SUMMARY

1. These proceedings arise out of a scheme to pump and dump the stock of Veltex Corp. ("Veltex"), an apparel company with purported operations in the U.S., Canada, and Bangladesh. Beginning in at least 2006, Veltex's CEO, Javeed Azziz Matin ("Matin"), enlisted Mazhur Haque as a figurehead over a company Matin owned, Wilshire Equity, Inc. ("Wilshire Equity"), and then funneled millions of Veltex shares to Wilshire Equity in an unregistered offering. Wilshire Equity then immediately resold the stock to the public, thereby acting as underwriters. Haque signed subscription agreements and other documents to facilitate the distribution of Veltex shares.

RESPONDENT

2. Mazhar Ul Haque, age 61, resides in Mira Loma, California. He worked as an accountant at Veltex Corp. from 2004 through 2008, and as a director of Veltex from November 2007 through May 2008. He was also the officer and director of Wilshire Equity, Inc. He holds a bachelor's degree from Pakistan with emphasis in accounting and is not registered with the Commission in any capacity.

RELATED ENTITIES & PERSON

3. Veltex, previously called Coconino S.M.A., Inc., is a Utah corporation. Veltex shares are quoted on the Pink Sheets operated by Pink OTC Markets Inc. During the time of the relevant conduct, the company's principal place of business was in the City of Industry, California. Neither Veltex nor its securities are registered under the Securities Exchange Act of 1934 ("Exchange Act").

4. Matin, age 52, resides in Diamond Bar, California. Until August 2008, he was the CEO and a director of Veltex. Matin does not hold any securities licenses.

5. Wilshire Equity is a Colorado corporation with its principal place of business in Mira Loma, California. Wilshire Equity has been in delinquent corporate status since February 2008. Neither Wilshire Equity nor its securities are registered under the Exchange Act.

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

FACTS

6. In 2002, Matin formed Wilshire Equity to receive and sell Veltex shares. Although Matin owned 100% ownership interest in Wilshire Equity, he enlisted Haque as a figurehead to serve as Wilshire Equity's officer and director and the signatory on its bank and brokerage accounts.

7. From at least 2006 through mid-2008, Veltex issued approximately 8.5 million shares in separate and purportedly exempt transactions to Wilshire Equity. For each transaction, there was an authorizing Veltex board resolution and a subscription agreement, signed by Haque.

8. Haque followed Matin's directions in signing numerous subscription agreements on behalf of Wilshire Equity for the purchase of Veltex shares. The subscription agreements represented and warranted that (a) the stock transfer was pursuant to an exemption under Rule 504 of Regulation D of the Securities Act, which exempts from registration any offer or sale of securities that does not exceed \$1 million for all securities sold within 12 months from the start of the offering; and (b) Wilshire Equity was not acquiring the shares with a view to distribution. Haque did not read the agreements and did not question Matin.

9. Based on the subscription agreements and other oral representations, Veltex's attorney issued opinion letters to Veltex's transfer agent stating that the stock sales to Wilshire Equity were exempt from registration based on Regulation D, Rule 504 of the Securities Act.

10. Contrary to his representations in the subscription agreements, Haque, at Matin's direction, caused Wilshire Equity to sell Veltex shares immediately upon receiving the same. During the relevant time period, Wilshire Equity sold about 8.5 million shares of Veltex, usually within days of receiving the shares, generating sales proceeds of approximately \$6.5 million.

11. As a result of the conduct described above, Haque violated Sections 5(a) and 5(c) of the Securities Act, which prohibit the direct or indirect sale or offer for sale of securities through the mail or interstate commerce unless a registration statement has been filed or is in effect.

IV.

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

Accordingly, it is hereby ORDERED that:

Pursuant to Section 8A of the Securities Act, Respondent Haque cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act.

By the Commission.

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 Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), on the Respondent and his legal agent.

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

The Honorable Brenda P. Murray
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