

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63704 / January 12, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14187

In the Matter of

MICHEL-JEAN GERAUD,

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 Michel-Jean Geraud (“Respondent” or “Geraud”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From March 2008 through July 2008, Geraud was the operating manager and controlled the day to day operations of GPS Management, Inc. (“GPS Management”), a telemarketing company engaged in the offer and sale of membership interests, or shares, known as Units, in Petroleum Unlimited, LLC and Petroleum Unlimited II, LLC (collectively “Petroleum Unlimited”). Geraud, indirectly through telemarketers he managed, solicited investors to purchase Petroleum Unlimited securities in exchange for sales commissions. Geraud trained the sales agents and monitored their calls as they pitched the investment. He also provided leads for them to cold call. Geraud received a portion of GPS Management’s receipts, which were based solely on the offering proceeds from the sales of Units of Petroleum Unlimited. GPS Management has never been registered with the Commission in any capacity. During this period, Geraud was neither

registered as a broker-dealer nor associated with a registered broker-dealer. Geraud, 34 years old, is a resident of Lighthouse Point, Florida.

B. ENTRY OF THE RESPONDENT'S CRIMINAL CONVICTION

2. On August 24, 2010, Geraud pleaded guilty to one count of conspiracy to commit mail fraud in violation of Title 18 United States Code, Section 371 before the United States District Court for the Southern District of Florida, in United States v. Michael Geraud, Case No.10-cr-80070 (S.D. Fla.). On the same day, he also pleaded guilty to one count of conspiracy to defraud the United States in a tax evasion scheme. See United States v. Michael Geraud, Case No. 10-cr-60091 (S.D. Fla.). On November 2, 2010, a judgment in each criminal case was entered against Geraud. For each of the counts, he was sentenced to a 60 month prison term followed by three years of supervised release, to run concurrently.

3. The count of criminal information in United States v. Michael Geraud, Case No.10-cr-80070 (S.D. Fla.), for which Geraud was convicted alleged, among other things, that Geraud, in connection with the offer and sale of Petroleum Unlimited's securities, defrauded investors and obtained money and property by, among other things, misrepresenting the company's use of offering proceeds, and failing to disclose exorbitant sales commissions.

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.

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 the Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, and Notice of Hearing ("Order"), on the Respondent and his legal agent.

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

Honorable Brenda P. Murray
Chief Administrative Law Judge
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