

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 72145 / May 9, 2014

INVESTMENT ADVISERS ACT OF 1940
Release No. 3833 / May 9, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15867

In the Matter of

GURUDEO PERSAUD,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Gurudeo Persaud (“Persaud” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Persaud 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, Persaud consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Persaud's Offer, the Commission finds that:

1. From 2005 until August 2010, Persaud was a registered representative with Money Concepts Capital Corporation, an entity located in Palm Beach Gardens Florida and dually registered with the Commission as a broker-dealer and investment adviser. Persaud held Series 7, 63, and 66 securities licenses during that time. He resigned from Money Concepts in August 2010. Persaud, 48, resided in Orlando, Florida during this time.

2. On April 18, 2014, a final judgment was entered by consent against Persaud in the civil action entitled Securities and Exchange Commission v. Gurudeo Persaud, Case No. 6:12-cv-932-Orl-28G-JK, pending in the United States District Court for the Middle District of Florida. Among other things, the final judgment permanently enjoined Persaud from future violations of Sections 206(1), 206(2), and 206(4), and Rules 206(4)-(8)(a)(1) and (2) of the Advisers Act. Previously in the same case the District Court had granted summary judgment in favor of the Commission and enjoined Persaud from future violations of Sections 5(a) and (c) and 17(a) of the Securities Act of 1933 ("Securities Act"), and Exchange Act Section 10(b) and Rule 10b-5.

3. The Commission's complaint alleged that, while associated with Money Concepts, Persaud started his own company, White Elephant Trading Company LLC. The complaint further alleged that from no later than July 2007 until at least January 2011, Persaud raised more than \$1 million from investors by promising them 6 to 18 percent annual returns and a risk-free investment in White Elephant's private equity fund, which would invest in the futures and other markets. Persaud made numerous misrepresentations and omissions to investors, including guaranteeing their investments were secure, failing to disclose his trading strategies were based on lunar cycles and the gravitational pull between the Earth and the moon, and that he misappropriated nearly half the investors' contributions for personal use.

4. In connection with the same conduct, Persaud entered into a written agreement to plead guilty to, and has been convicted of and sentenced for, one count of mail fraud in violation of 18 U.S.C. § 1341, in the case of United States v. Persaud, Case No. 6:13-cr-25-Orl-36DAB, also pending in the Middle District of Florida. In connection with his plea and conviction, Persaud admitted the facts set forth in his Plea Agreement.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act that Respondent Persaud be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; barred from participating in any offering of a 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.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Jill M. Peterson,
Assistant Secretary