

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4179 / August 19, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16766

In the Matter of

AUBREY LEE PRICE,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
203(f) OF THE INVESTMENT ADVISERS
ACT OF 1940 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Aubrey Lee Price (“Respondent” or “Price”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From June 2009 through June 2012, Respondent was an associated person of Montgomery Asset Management, LLC f/k/a PFG Asset Management, LLC (Florida) (“Montgomery Asset Investment Adviser”), an investment adviser registered with the Commission located in McDonough, Georgia. Prior to January 2008, Respondent was also licensed as a registered representative with FINRA. Respondent, age 48, is currently incarcerated in Estill, South Carolina.

B. RESPONDENT’S CRIMINAL CONVICTION

1. On June 5, 2014, Price pleaded guilty to one count of bank fraud in violation of Title 18 United States Code, Section 1344 before the United States District Court for the Southern District of Georgia, in United States v. Aubrey Lee Price, Docket No. 6:12-CR-10-

BAE-GRS, and one count of securities fraud in violation of Title 15 United States Code, Sections 78j(b) and 78ff and one count of wire fraud in violation of Title 18 United States Code, Section 1343 before the United States District Court for the Eastern District of New York, in United States v. Aubrey Lee Price, Docket No. 1:13-CR-58-SLT. On October 28, 2014, a judgment in the criminal case was entered against Price. He was sentenced to a prison term of 360 months, followed by five years of supervised release, and ordered to pay a penalty of \$300, a forfeiture money judgment of \$51 million, and restitution in an amount to be determined at a later hearing.

2. The counts of the criminal indictments to which Price pleaded guilty alleged, among other things, that, while he was an associated person with Montgomery Asset Investment Adviser, Price knowingly and willfully employed devices, schemes, and artifices to defraud, made untrue statements of material fact, and engaged in acts, practices, and courses of business which operated as a fraud or deceit upon investors in connections with the purchases and sales of investments in PFG, a private investment fund managed by Price. Price is further alleged to have lost millions of dollars of investor funds through speculative trading and other investments and to have covered up these losses by making available to investors account statements that fraudulently reflected fictitious assets and investment returns.

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 203(f) of the Advisers 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 as provided for in the Commission's Rules of Practice.

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.

Brent J. Fields
Secretary