INITIAL DECISION RELEASE NO. 920
ADMINISTRATIVE PROCEEDING
FILE NO. 3-16706

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

In the Matter of	:	INITIAL DECISION
	:	December 1, 2015
SACHIN K. UPPAL	:	

APPEARANCES: Jerrold H. Kohn and John E. Birkenheier for the Division of Enforcement, Securities and Exchange Commission

Sachin K. Uppal, *pro se*

BEFORE: James E. Grimes, Administrative Law Judge

Summary

In this Initial Decision, I grant the Division of Enforcement's motion for summary disposition. Respondent Sachin K. Uppal is permanently barred from associating with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Procedural Background

The Commission initiated this proceeding in July 2015, by issuing an Order Instituting Proceedings (OIP). As authority, the OIP relies on Section 203(f) of the Investment Advisers Act of 1940. OIP at 1; *see* 15 U.S.C. § 80b-3(f). In the OIP, the Division alleges as follows:

From 2007 through September 2013, Uppal was the principal and sole member of Jefferson Smith Trading Co. OIP at 1. Uppal told investors that Jefferson Smith was a hedge fund and that he was its general partner. *Id*. Uppal told investors that he would use their investments to buy and sell securities on their behalf. *Id*. Uppal was associated with an investment adviser but neither he nor Jefferson Smith has ever been registered with the Commission. *Id*. In August 2014, Uppal pleaded guilty to one count of wire fraud in violation of 18 U.S.C. § 1343. *Id.* at 2. The United States District Court for the Eastern District of Michigan entered judgment against Uppal in December 2014, sentenced him to sixty-four months' imprisonment followed by thirty-six months of supervised release, and ordered him to pay restitution in the amount of $3,867,187. *Id.*

I held a prehearing conference on August 10, 2015. Counsel for the Division of Enforcement and Uppal, appearing *pro se*, attended the conference. During the conference, I explained to Uppal that his answer to the OIP would be due August 24, 2015. Tr. 6. I also granted the Division leave to move for summary disposition and set a briefing schedule. *Id.*; *see Sachin K. Uppal*, Admin. Proc. Rulings Release No. 3029, 2015 SEC LEXIS 3265, at *1 (Aug. 11, 2015).

On August 26, 2015, Uppal filed what appeared to a request for an extension of time to answer the OIP. *See Sachin K. Uppal*, Admin. Proc. Rulings Release No. 3093, 2015 SEC LEXIS 3601, at *1 (Sept. 3, 2015). Uppal purported to base his request on his "not yet [having] received the paper work on and of [his] findings from" the Division's counsel. *Id*. Noting that the factual allegations in the OIP were both brief and related to information within Uppal's personal knowledge, I ordered Uppal to show cause why the proceeding should not be determined against him for failure to timely answer the OIP. *Id*. at *2.

Uppal filed a response to the order to show cause on September 21, 2015. *See Sachin K. Uppal*, Admin. Proc. Rulings Release No. 3159, 2015 SEC LEXIS 3861, at *2 (Sept. 22, 2015). In conjunction with his response, Uppal requested another extension of time to answer the OIP. *Id*.

Meanwhile, the Division filed a motion for summary disposition. Its motion is supported by nine exhibits, including: (1) Uppal's criminal information charging him with wire fraud (Ex. A); Uppal's plea agreement (Ex. D); the government's sentencing memorandum, which includes statements from Uppal's victims (Ex. E); Uppal's sentencing memorandum (Ex. F); the district court's judgment (Ex. G); and the transcript of Uppal's sentencing hearing (Ex. H).

On September 22, 2015, I granted Uppal until October 2, 2015 to answer the OIP. *See Sachin K. Uppal*, 2015 SEC LEXIS 3861, at *2. Uppal subsequently submitted what I will construe as both an answer to the OIP and an opposition to the Division's motion for summary disposition. Although Uppal's answer was received by this office on October 13, 2015, because Uppal purports to have deposited it with prison officials on October 1, 2015, I will accept it.[1]

The findings and conclusions in this Initial Decision are based on the record and on facts officially noticed under Rule of Practice 323. *See* 17 C.F.R. § 201.323. I have applied preponderance of the evidence as the standard of proof. *See Steadman v. SEC*, 450 U.S. 91, 101-04 (1981).

[1] "Papers required to be filed with the Commission must be received within the time limit, if any, for such filing." 17 C.F.R. § 201.151(a). A *pro se* prisoner, however, has no control over delays in the Commission's receipt of his filing after delivery to prison officials. I therefore accept Uppal's filing, regardless of its timeliness under the Rules of Practice. *See* 17 C.F.R. § 201.111 (giving an administrative law judge "the authority to do all things necessary and appropriate to discharge his or her duties").

Findings of Fact

Because Uppal has not denied any facts alleged in the OIP, the factual allegations in the OIP are deemed admitted. *See* 17 C.F.R. § 201.220(c) ("Any allegation not denied shall be deemed admitted"); *cf.* Answer at 1 ("The fact that Respondent is at fault is not in dispute."). From 2007 through September 2013, Uppal was the principal and sole member of Jefferson Smith Trading Co. OIP at 1; *see* Ex. D at 2. Uppal told investors that Jefferson Smith was a hedge fund, he was its general partner, and he would use investments to buy and sell securities on their behalf. OIP at 1; Ex. D at 2. Although he never registered with the Commission, in his capacity at Jefferson Smith, Uppal was associated with an investment adviser. OIP at 1; *see* Ex. D at 2-3 (discussing Uppal's actions).

Uppal lied to potential investors in order to induce investment. Ex. D at 3; *see* OIP at 2. He also lied to existing investors so that they would think their investments were doing well and to induce additional investments. Ex. D at 3; *see* OIP at 2. Through various documents and presentations, Uppal guaranteed eighteen to twenty percent returns. Ex. D at 3. He also falsely told investors that he would mitigate risk by buying and selling "within the same trading day" and closing all positions before the market closed for the day. *Id.*

In order to convince investors to invest additional funds, Uppal sent them false "monthly 'year-to-date investment summaries.'" Ex. D at 3. Contrary to what was actually occurring, the summaries reflected gains even if Uppal lost money. *Id.* On other occasions, Uppal stole investment funds for his own use or used some investors' funds to repay other investors. *Id.* If investors asked Uppal to return their money, he would put them off with excuses and most often would not return their money. *Id.* at 3-4.

Uppal induced fourteen victims to invest. Ex. D at 7; OIP at 2. Two of Uppal's victims lost at least $1 million. Ex. D at 7. In total, Uppal's victims lost over $3.8 million. *Id.*; OIP at 2.

In June 2014, Uppal was charged with one count of wire fraud, in violation of 18 U.S.C. § 1343.[2] Ex. A at 1-4. Following Uppal's guilty plea, the district court found him guilty. Ex. G at 1. Uppal's victims submitted statements in which they explained that they gave Uppal money they had intended to use for retirement or to fund the education of their children. *See* Ex. E at 10-20. Two victims testified during Uppal's sentencing. *See* Ex. H at 5-7. One victim was a childhood friend of Uppal's mother and uncle. *Id.* at 5. Another was the mother of Uppal's best friend. *Id.* at 7. Both lost substantial sums that they had intended to use for retirement. *Id.* at 5-7.

Before imposing sentence, the district court remarked that Uppal's fraud lasted for a period of years, during which he "stole almost $4 million." Ex. H at 12-13. The court noted that Uppal "secured investments with paperwork[] cut and pasted from" other sources. *Id.* at 13. Through his efforts, Uppal left his victims "in extremely perilous circumstances," causing them to "face[] . . . financial ruin" as they neared "the end of their lives." *Id.* At the conclusion of Uppal's sentencing hearing, the court sentenced him to sixty-four months' imprisonment

[2] A separate money laundering charge was later dismissed. *See* Ex. A at 4; Ex. G at 1.

followed by thirty-six months of supervised release and ordered him to pay $3,867,187 in restitution. *Id*. at 14; Ex. G at 2-3, 5.

Conclusions of Law

A. Summary Disposition Standard

Rule of Practice 250 governs motions for summary disposition. *See* 17 C.F.R. § 201.250. An administrative law judge "may grant [a] motion for summary disposition if there is no genuine issue with regard to any material fact and the party making the motion is entitled to a summary disposition as a matter of law." 17 C.F.R. § 201.250(b). "The facts of the pleadings of the party against whom the motion is made shall be taken as true, except as modified by stipulations or admissions made by that party, by uncontested affidavits, or by facts officially noted pursuant to Rule 323." 17 C.F.R. § 201.250(a).

As a practical matter, in cases where the Division files a motion for summary disposition but the respondent does not correspondingly file his own affirmative motion for summary disposition, an administrative law judge may either grant the Division's motion or proceed to a hearing. *S.W. Hatfield, CPA*, Exchange Act Release No. 73763, 2014 SEC LEXIS 4691, at *9-10 (Dec. 5, 2014). The Commission has repeatedly held, however, that summary disposition is generally appropriate in "follow-on" proceedings—administrative proceedings instituted following a conviction or entry of an injunction—where the only real issue involves the determination of the appropriate sanction. *Jeffrey L. Gibson*, Exchange Act Release No. 57266, 2008 SEC LEXIS 236, at *19-20 nn.21-24 (Feb. 4, 2008). Summary disposition is appropriate here because the only issue is whether Uppal's conduct warrants imposition of the bars the Division seeks.

B. A full collateral bar is warranted as a result of Uppal's misconduct.

Section 203(f) of the Advisers Act gives the Commission authority to impose a collateral bar[3] against Uppal if, among other things, (1) he was associated with an investment adviser during the time of his misconduct; (2) he was convicted of violating 18 U.S.C. § 1343 within ten years before the Commission instituted this proceeding; and (3) imposing a bar is in the public interest. 15 U.S.C. § 80b-3(f); *see* 15 U.S.C. § 80b-3(e)(2)(D).

The first of these three factors is met. By operation of Rule 220(c), Uppal's failure to deny the OIP's allegations constitutes an admission of the uncontested allegation that he was associated with an investment adviser during 2007 to 2013, which was the time period encompassing his conduct. *See* 17 C.F.R. § 201.220(c) ("Any allegation not denied shall be deemed admitted"); OIP at 1.

[3] A collateral bar, or "industry-wide bar," is a bar that prevents an individual from participating in the securities industry in capacities in addition to those in which the person was participating at the time of his or her misconduct. *See Toby G. Scammell*, Advisers Act Release No. 3961, 2014 SEC LEXIS 4193, at *1 & n.1 (Oct. 29, 2014).

Moreover, outside of certain exceptions that Uppal does not assert apply, an investment adviser is one "who, for compensation, engages in the business of advising others . . . as to the value of securities or as to the advisability of investing in, purchasing, or selling securities." 15 U.S.C. § 80b-2(a)(11). As the Division argues, Uppal was compensated by stealing his investors' funds for his own use. Ex. D at 3; *see Alexander V. Stein*, Advisers Act Release No. 1497, 1995 SEC LEXIS 3628, at *10 n.13 (June 8, 1995) (holding that converting clients' funds for one's own use constitutes compensation for purposes of the Advisers Act). And Uppal solicited investment, controlled Jefferson Smith, told investors he was running a hedge fund, and told investors he would invest their money in financial instruments. Ex. D at 2-3. Uppal's conduct, in combination with the fact of his compensation, suffices to qualify Uppal as an investment adviser.[4]

The second factor is also met. Uppal was convicted of violating 18 U.S.C. § 1343. Ex. G at 1. By definition, a violation of Section 1343 meets the second factor. *See* 15 U.S.C. § 80b-3(e)(2)(D), (f).

With respect to the third factor, whether imposition of a collateral bar would be in the public interest, I must consider the public interest factors set forth in *Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1979), *aff'd on other grounds*, 450 U.S. 91 (1981). *See Toby G. Scammell*, 2014 SEC LEXIS 4193, at *23. The public interest factors include:

> the egregiousness of the [respondent]'s actions, the isolated or recurrent nature of the infraction, the degree of scienter involved, the sincerity of the [respondent]'s assurances against future violations, the [respondent]'s recognition of the wrongful nature of his conduct, and the likelihood that the [respondent]'s occupation will present opportunities for future violations.

Steadman, 603 F.2d at 1140 (quoting *SEC v. Blatt*, 583 F.2d 1325, 1334 n.29 (5th Cir. 1978)). Other relevant factors include the degree of harm caused by the violation[5] and the deterrent effect of administrative sanctions.[6] The public interest inquiry "is . . . flexible . . . and no one factor is dispositive." *Ralph Calabro*, Securities Act Release No. 9798, 2015 SEC LEXIS 2175, at *163 (May 29, 2015) (internal quotation marks omitted).

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[4] *See Anthony Fields, CPA*, Securities Act Release No. 9727, 2015 SEC LEXIS 662, at *60-61 (Feb. 20, 2015) (holding that because "Fields admitted that he controlled [an investment advisory firm] and was solely responsible for everything that [it] did and said," he was an investment adviser).

[5] *KPMG Peat Marwick LLP*, Exchange Act Release No. 43862, 2001 SEC LEXIS 98, at *100 (Jan. 19, 2001), *pet. denied*, 289 F.3d 109 (D.C. Cir. 2002).

[6] *Schield Mgmt. Co.*, Exchange Act Release No. 53201, 2006 SEC LEXIS 195, at *35 & n.46 (Jan. 31, 2006); *see Guy P. Riordan*, Securities Act Release No. 9085, 2009 SEC LEXIS 4166, at *81 & n.107 (Dec. 11, 2009), *pet. denied*, 627 F.3d 1230 (D.C. Cir. 2010).

Before imposing an industry-wide bar, an administrative law judge must determine, based on the evidence presented, "whether such a remedy is necessary or appropriate to protect investors and markets." *Ross Mandell*, Exchange Act Release No. 71668, 2014 SEC LEXIS 849, at *7 (Mar. 7, 2014) (internal quotation marks omitted). I must therefore "'review [Uppal's] case on its own facts' to make findings regarding [his] fitness to participate in the industry in the barred capacities." *Id*. at *7-8 (quoting *McCarthy v. SEC*, 406 F.3d 179, 188 (2d Cir. 2005)). A decision to impose an industry-wide bar "should be grounded in specific 'findings regarding the protective interests to be served' by barring the respondent and the 'risk of future misconduct.'" *Id*. at *8 (quoting *McCarthy*, 406 F.3d at 189-90); *see John W. Lawton*, Advisers Act Release No. 3513, 2012 SEC LEXIS 3855, at *34-35 (Dec. 13, 2012), *called into question on other grounds by Koch v. SEC*, 793 F.3d 147 (D.C. Cir. 2015).

The facts show that imposing a full collateral bar is appropriate. For several reasons, Uppal's conduct was egregious. First, while Uppal was not convicted of violating the antifraud provisions of the securities laws, his fraudulent conduct, which involved defrauding investors, falls within the ambit of what those laws are designed to prevent.[7] Second, the "securities industry . . . depends very heavily on the integrity of its participants." *Gary M. Kornman*, 2009 SEC LEXIS 367, at *23. This is especially the case for investment advisers, who owe their clients a fiduciary duty. *See Transamerica Mortg. Advisors, Inc. v. Lewis*, 444 U.S. 11, 17 (1979); *James C. Dawson*, Advisers Act Release No. 3057, 2010 SEC LEXIS 2561, at *8 (July 23, 2010). As a fiduciary, Uppal was required to act for the benefit of his clients, to exercise the "utmost good faith" in dealing with those clients, to "disclos[e] . . . all material facts," and "to employ reasonable care to avoid misleading" his clients. *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 194 (1963). Instead of abiding by his fiduciary duty, Uppal perpetrated a fraud on his clients. Because of the premium placed on honesty among securities industry professionals, *Kornman*, 2009 SEC LEXIS 367, at *23, Uppal's fraud would be a serious matter even if he did not owe his victims a fiduciary responsibility. The added fact, therefore, that Uppal violated his fiduciary duty strongly shows that his conduct is egregious and that he is not suited to remain in the securities industry. *See Alfred Clay Ludlum, III*, Advisers Act Release No. 3628, 2013 SEC LEXIS 2024, at *26-28 (July 11, 2013); *James C. Dawson*, 2010 SEC LEXIS 2561, at *8-9, *15-16.

Third, Uppal's fraud caused substantial harm to his victims. Over a number of years, he used his lies to entice at least fourteen investors to invest nearly $4 million. Because these

[7] *See Daniel Imperato*, Exchange Act Release No. 74596, 2015 SEC LEXIS 1377, at *19 (Mar. 27, 2015) ("We have stated that conduct that violates the antifraud provisions of the federal securities laws is 'subject to the severest of sanctions.'" (quoting *Chris G. Gunderson*, Exchange Act Release No. 61234, 2009 WL 4981617, at *5 (Dec. 23, 2009)); *Gary M. Kornman*, Exchange Act Release No. 59403, 2009 SEC LEXIS 367, at *23 (Feb. 13, 2009), ("[T]he importance of honesty for a securities professional is so paramount that we have barred individuals even when the conviction was based on dishonest conduct unrelated to securities transactions or securities business."), *pet. denied*, 592 F.3d 173 (D.C. Cir. 2010); *Ahmed Mohamed Soliman*, Exchange Act Release No. 35609, 1995 SEC LEXIS 968, at *8-9 (Apr. 17, 1995) (criminal conviction for tax law violations involving "fraud and deceit" is a "serious" offense which "shows a lack of honesty and judgement [sic] and indicates that [the respondent was] unsuited to function in the securities industry").

victims invested large sums, which many hoped to use for retirement, Uppal's fraud left his victims "fac[ing] . . . financial ruin" as they neared "the end of their lives." Ex. H at 13. In light of the foregoing three factors, I determine that Uppal's actions were egregious. The egregiousness of his misconduct is underscored by the fact that the district court sentenced him to sixty-four months' imprisonment followed by thirty-six months of supervised release and ordered him to pay nearly $4 million in restitution.

Uppal's violations were recurrent and were not isolated. His misconduct occurred over at least a six-year period and involved at least fourteen investors, whom he doubly duped by distributing false statements showing that their investments were appreciating.

Uppal acted with scienter. Because he had no basis for making the statements he made to investors, he necessarily knew he was lying to them.[8] Uppal's scheme involved deliberate, intentional conduct. Uppal lied to potential investors to get them to invest by guaranteeing returns and telling them he would invest their money in a manner that would mitigate risk. Ex. D at 2-3. In fact, Uppal stole investment funds for his own use or used some investors funds to repay other investors. And after he secured investment, Uppal continued to lie by sending existing investors false account statements and inventing excuses when investors asked that he return their money. Uppal's affirmative lies and efforts to hide his fraud show that he acted with scienter. There is no doubt that someone who is willing to lie to induce investors is ill-suited to remain in the securities industry.[9]

Uppal has somewhat made assurances against future violations, saying that he "agree[s]" not to do a number of things the law prohibits him from doing, including committing wire fraud or violating the antifraud provisions of the securities statutes.[10] Answer at 4. Especially in light of Uppal's efforts to lie to conceal his fraud and induce additional investment from existing investors, however, Uppal's formulaic recitation of what he agrees not to do is not inspiring.

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[8] *See SEC v. Universal Express, Inc.*, 475 F. Supp. 2d 412, 424 (S.D.N.Y. 2007) ("Representing information as true while knowing it is not, recklessly misstating information, or asserting an opinion on grounds so flimsy as to belie any genuine belief in its truth, are all circumstances sufficient to support a conclusion of scienter."), *aff'd sub nom.*, *SEC v. Altomare*, 300 F. App'x 70 (2d Cir. 2008).

[9] *See John M.E. Saad*, Exchange Act Release No. 62178, 2010 SEC LEXIS 1761, at *30 (May 26, 2010) ("Saad's actions reveal a willingness to construct false documents and then lie about them that suggests that his continued participation in the securities industry poses an unwarranted risk to the investing public."), *pet. granted on other grounds*, 718 F.3d 904 (D.C. Cir. 2013).

[10] During his sentencing hearing, Uppal expressed his understanding of the wrongful nature of his conduct. See Ex. H at 10-11. In his answer, he does not "dispute" "that [he] is at fault." Answer at 1.

As to the question of whether it is likely that Uppal's occupation will present opportunities for future violations, Uppal expressly desires to work in the securities industry after he is released from prison. *See* Answer at 2-3. The Commission has held that "'the existence of a violation raises an inference that'" the acts in question will recur.[11] He has failed to rebut that inference. Uppal's "occupation as an investment adviser presents opportunities for future illegal conduct in the securities industry." *John W. Lawton*, 2012 SEC LEXIS 3855, at *43. When combined with the egregious, long-running nature of Uppal's misconduct, this factor shows that the Commission's interest in protecting the investing public weighs in favor of a collateral bar.

Uppal suggests that his imprisonment is punishment enough for his misconduct and asserts that barring him from the securities industry will hinder his ability to repay his victims. Answer at 2-3. The former point reflects a misunderstanding about the purpose of an industry bar. An industry bar functions not to punish but instead "'to protect the investing public from [a] respondent's possible future actions.'" *Ralph Calabro*, 2015 SEC LEXIS 2175, at *182 n.229 (citation omitted). And while it may be true that barring Uppal from the securities industry will negatively affect his future earning potential, that possible negative effect does not outweigh the need, in light of the factors discussed above, "to protect the investing public." *Id*. Uppal's alleged desire to repay his victims does not justify placing the risk of harm on potential future investors. Moreover, his imprisonment and loss of future employment opportunities are not mitigating in this context.[12]

Weighing the foregoing factors, I find that imposing a full collateral bar is appropriate. The nature of Uppal's misconduct and his efforts to hide it and to induce additional investment from people he had already victimized "raise[] significant doubts about his integrity and his fitness to remain in the securities industry in any capacity." *Tzemach David Netzer Korem*, 2013 SEC LEXIS 2155, at *25. The substantial harm Uppal caused only adds to those doubts. These factors outweigh his lukewarm assurances against future violations and his recognition of the wrongful nature of his conduct.

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[11] *Tzemach David Netzer Korem*, Exchange Act Release No. 70044, 2013 SEC LEXIS 2155, at *23 n.50 (July 26, 2013) (quoting *Geiger v. SEC*, 363 F.3d 481, 489 (D.C. Cir. 2004)); *see John M.E. Saad*, 2010 SEC LEXIS 1761, at *30 ("the securities industry[] [is] 'a business that is rife with opportunities for abuse'").

[12] *See Anthony Fields, CPA*, 2015 SEC LEXIS 662, at *96 ("How a respondent might in other respects suffer as a result of his or her misconduct or the sanctions that follow—*e.g.*, loss of money, unemployment, or harm to reputation—is not a mitigating factor."); *Don Warner Reinhard*, Exchange Act Release No. 63720, 2011 SEC LEXIS 158, at *27 (Jan. 14, 2011) ("The specified administrative and criminal remedies are designed to serve different purposes, one to determine whether respondent should be barred or suspended from association . . . or censured, and the other to determine whether respondent should be fined or imprisoned. Thus, we do not view his criminal sentence as mitigative of the appropriate sanction to be imposed in the public interest in this administrative proceeding." (internal quotation marks, footnote, and alteration brackets omitted)).

As a final matter, imposing a full collateral bar will serve as a general and specific deterrent.[13] It will deter Uppal and will further the Commission's interest in deterring others from engaging in similar misconduct. Given the foregoing, I find that it is in the public interest to impose a permanent, collateral bar against Uppal.[14]

Order

Under the authority in Rule 250(b) of the Securities and Exchange Commission's Rules of Practice, the Division of Enforcement's Motion for Summary Disposition is GRANTED.

Under Section 203(f) of the Investment Advisers Act of 1940, Sachin K. Uppal is permanently BARRED from associating with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

This Initial Decision shall become effective in accordance with and subject to the provisions of Rule 360. *See* 17 C.F.R. § 201.360. Under that Rule, a party may file a petition for review of this Initial Decision within twenty-one days after service of the Initial Decision. A party may also file a motion to correct a manifest error of fact within ten days of the Initial Decision, pursuant to Rule 111. See 17 C.F.R. § 201.111. If a motion to correct a manifest error of fact is filed by a party, then a party shall have twenty-one days to file a petition for review from the date of the undersigned's order resolving such motion to correct a manifest error of fact.

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[13] Although it is not determinative, general deterrence is relevant to the question of whether the public interest weighs in favor of imposing an industry bar. *See Peter Siris*, Exchange Act Release No. 71068, 2013 SEC LEXIS 3924, at *48 n.72 (Dec. 12, 2013), *pet. denied*, 773 F.3d 89 (D.C. Cir. 2014); *see also PAZ Sec., Inc. v. SEC*, 494 F.3d 1059, 1066 (D.C. Cir. 2007); *Guy P. Riordan*, 2009 SEC LEXIS 4166, at *81 & n.107.

[14] The imposition of a full collateral bar is not impermissibly retroactive because a portion of the misconduct for which Uppal was convicted occurred after July 22, 2010, the effective date of the Dodd-Frank Wall Street Reform and Consumer Protection Act. *See* Exs. A at 1, D at 2; Pub. L. No. 111-203, §§ 4, 925(a), 124 Stat. 1376, 1390, 1850-51 (2010); *Koch v. SEC*, 793 F.3d 147, 157-58 (D.C. Cir. 2015) (holding that the Commission cannot apply Dodd-Frank to bar a respondent from associating with municipal advisors and rating organizations based on conduct predating Dodd-Frank, because such an application is impermissibly retroactive).

The Initial Decision will not become final until the Commission enters an order of finality. The Commission will enter an order of finality unless a party files a petition for review or motion to correct a manifest error of fact or the Commission determines on its own initiative to review the Initial Decision as to a party. If any of these events occurs, the Initial Decision shall not become final as to that party.

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James E. Grimes
Administrative Law Judge