

**UNITED STATES OF AMERICA**  
before the  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
Release No. 70678 / October 11, 2013

**INVESTMENT ADVISERS ACT OF 1940**  
Release No. 3691 / October 11, 2013

**ADMINISTRATIVE PROCEEDING**  
File No. 3-15566

*In the Matter of*

**JONATHAN FRAIMAN,**

*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 Jonathan Fraiman (“Fraiman” or “Respondent”).

**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 and the findings contained in Section III.2 below, which are admitted, Respondent 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 Respondent's Offer, the Commission finds that:

1. From January 2008 through June 2009, Fraiman was employed as a "Marketing and Investment Relations Executive" at Envit Capital LLC and Envit Capital Multi-Strategy Mixed Investment Fund I LP. During this time, he was also the Director and Chief Compliance Officer of Envit Capital Private Wealth Management, LLC, an unregistered investment adviser. Fraiman holds Series 7 and Series 66 securities licenses. Fraiman, 33 years old, is a resident of San Diego, California.

2. On October 8, 2013 a final judgment was entered by consent against Fraiman, permanently enjoining him from future violations of Section 17(a)(2) of the Securities Act of 1933; Sections 10(b) and 15(a)(1) of the Exchange Act and Rule 10b-5(b) thereunder; and Sections 206(1), 206(2) and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. Edward M. Laborio, et al., Civil Action Number 1:12-cv-11489-MBB, in the United States District Court for the District of Massachusetts. Fraiman was also barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock.

3. The Commission's complaint alleged that Fraiman and others raised up to \$5.7 million from approximately 150 investors nationwide and overseas through five fraudulent and unregistered securities offerings involving a group of related entities (the "Envit Companies"). The complaint alleged that Fraiman made multiple misrepresentations and misleading statements about the Envit Companies' businesses, revenues, financial projections, uses of investor funds, and historical returns generated by a purported hedge fund that in reality never conducted any business. The complaint also alleged that Fraiman induced the purchase of securities without being registered in accordance with Section 15 of the Exchange Act.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Fraiman'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 Fraiman 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, with the right to reapply for reentry after ten years to the appropriate self-regulatory organization, or if there is none, to the Commission.

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.

Elizabeth M. Murphy  
Secretary