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

INVESTMENT ADVISERS ACT OF 1940
Release No. 3610/May 22, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15260

In the Matter of	:	
	:	ORDER MAKING FINDINGS AND
GEORGE ELIA	:	IMPOSING SANCTIONS BY DEFAULT

SUMMARY

This Order bars George Elia (Elia) from the securities industry.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on April 3, 2013, pursuant to Section 203(f) of the Investment Advisers Act of 1940 (Advisers Act). The OIP alleges that Elia has pleaded guilty to wire fraud and conspiracy to commit mail fraud and wire fraud. Elia was served with the OIP by USPS certified mail in accordance with 17 C.F.R. § 201.141(a)(2)(i) on April 15, 2013, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 2; 17 C.F.R. § 201.220(b). He has not filed an Answer to date. Accordingly, he has failed to answer or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Therefore, Elia is in default, and the undersigned finds that the allegations in the OIP are true as to him.[1] See OIP at 2-3; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

Elia, 69, formerly of Oakland Park, Florida, pleaded guilty on March 6, 2013, to wire fraud in violation of 18 U.S.C. § 1343 and conspiracy to commit mail fraud and wire fraud in violation of 18 U.S.C. § 371. United States v. Elia, No. 0:12-cr-60077 (S.D. Fla.). He awaits sentencing. The wrongdoing took place from 2005 through January 2012, when Elia, an unregistered investment adviser, operated several investment entities in which he and others raised over $3 million from investors by false representations and material omissions concerning the security and liquidity of investor money, the true rates of returns on investments, and the

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[1] Elia was advised that if he failed to file an Answer within the time provided, he would be deemed to be in default, and the undersigned would enter an order barring him from the securities industry. George Elia, Admin. Proc. File No. 3-15260 (A.L.J. Apr. 18, 2013) (unpublished).

intended use of investor money. Elia and his co-conspirators misappropriated the investor money for their personal use and benefit.

III. CONCLUSIONS OF LAW

Elia has been convicted,[2] within ten years of the commencement of this proceeding, of a felony that "arises out of the conduct of the business of a[n] . . . investment adviser" and "involves the violation of section . . . 1343 . . . of title 18, United States Code" within the meaning of Sections 203(e)(2)(B), (D) and 203(f) of the Advisers Act.[3]

IV. SANCTION

Elia will be barred from the securities industry. This sanction will serve the public interest and the protection of investors, pursuant to Section 203(f) of the Advisers Act, and accord with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Elia's unlawful conduct was recurring and egregious. It involved millions of dollars.

V. ORDER

IT IS ORDERED that, pursuant to Section 203(f) of the Advisers Act, GEORGE ELIA IS BARRED from associating with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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Carol Fox Foelak
Administrative Law Judge

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[2] Section 202(a) of the Advisers Act provides, "(6) 'Convicted' includes a . . . plea of guilty . . . whether or not sentence has been imposed."

[3] The fact that Elia was an unregistered investment adviser does not moot this proceeding against him. The Commission has authority to bar persons from association with registered or unregistered investment advisers or otherwise sanction them under Section 203 of the Advisers Act. Teicher v. SEC, 177 F.3d 1016, 1017-18 (D.C. Cir. 1999).