

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3730 / December 3, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15631

In the Matter of

COREY RIBOTSKY,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Corey Ribotsky (“Ribotsky” 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.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. Ribotsky, age 42, resides in Glen Head, New York. From November 1999 through the present, Ribotsky has been the managing member and control person of The NIR Group, LLC (“NIR”), an unregistered investment adviser. NIR was briefly registered with the Commission for several months in 2006 but chose to withdraw the firm’s registration.

2. On August 17, 2012, the Commission filed an amended complaint (“Complaint”) against Ribotsky and NIR in the United States District Court for the Eastern District of New York alleging that they violated antifraud provisions of the federal securities laws, SEC v. The NIR Group, LLC, et al., 11-cv-4723 (JFB)(GRB). The Commission’s Complaint alleges, among other things, that from 2007 through 2009 Ribotsky knowingly made material misrepresentations and omissions concerning the liquidity and performance of various hedge funds he managed (the “AJW Funds”). The Complaint also alleges Ribotsky mislead investors when forming the AJW Master Fund in May 2007. The Complaint further alleges that from July 2004 through June 2009, Ribotsky misappropriated for his personal use over \$1,000,000 of assets from one of the AJW Funds he managed through NIR.

3. On November 14, 2013, the court entered a final consent judgment against Ribotsky and NIR, *inter alia*, permanently enjoining them from violating Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, Sections 206(1), 206(2) and 206(4) of the Investment Advisers Act of 1930 and Rule 206(4)-8 thereunder.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Ribotsky 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 apply for reentry after four 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