

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 4120 / June 17, 2015**

**ACCOUNTING AND AUDITING ENFORCEMENT**  
**Release No. 3664 / June 17, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16600**

**In the Matter of**

**GEORGE JOSEPH  
PALATHINKAL, CPA**

**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 George Joseph Palathinkal (“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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.2 below, and 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. Palathinkal, 53 years old, is a citizen of Singapore. Palathinkal was, from March 1, 2013 through approximately June 1, 2014, a General Partner, Chief Financial Officer, and Chief Compliance Officer of Aphelion Fund Management, LLC ("Aphelion"), an unregistered investment adviser.

2. On March 13, 2015, Palathinkal pled guilty to one count of perjury in violation of Title 18 United States Code, Section 1621 before the United States District Court for the District of Columbia, in *United States v. George Palathinkal*, Crim. Information No. 1:15-cr-00024-RMC.

3. The criminal information to which Palathinkal pled guilty alleged that in March 2014, he took an oath that he would testify truthfully in investigative testimony before the Commission, and that during such testimony, he gave false testimony that earlier versions or drafts of a certain promissory note between Palathinkal and Aphelion existed, when in fact there were no earlier versions or drafts. In May 2014, the Commission filed a lawsuit against Palathinkal and others. In July and August 2014, Palathinkal voluntarily met with Commission attorneys and acknowledged the false testimony he had previously provided.

### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Palathinkal 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.

By the Commission.

Brent J. Fields  
Secretary