

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83652 / July 17, 2018

INVESTMENT ADVISERS ACT OF 1940
Release No. 4971 / July 17, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18600

In the Matter of

James M. Unger

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b)(6) 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)(6) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against James M. Unger (“Unger” 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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section

15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, 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. Unger, age 51, is a resident of Boca Raton, Florida. At the time of his criminal conduct, Unger resided in Shaker Heights, Ohio and was a registered representative associated with various investment and brokerage firms. From March 2009 through January 2013, Unger was associated with Fintegra, LLC, which was registered with the Commission as a broker-dealer and investment adviser. From January 2013 until March 2014, Unger was associated with Hennion & Walsh, Inc., which was registered with the Commission as a broker-dealer. Finally, from March 2014 through May 2014, Unger was associated with Financial America Securities, Inc., which was registered with the Commission as a broker-dealer.

2. On March 26, 2018, Unger pled guilty to two counts of wire fraud [18 U.S.C. § 1343] and five counts of filing false tax returns [26 U.S.C. § 7206(1)] in a criminal action titled U.S. v. James M. Unger, 18-cr-48 (N.D. Oh.) for: (1) his misappropriation of \$267,664.31 from a broker-dealer customer between 2010 and 2014; and (2) his failure to report certain income on his Federal income tax returns.

3. The criminal information against Unger alleged, among other things, that “Unger embezzled funds from [the broker-dealer customer’s] accounts without her knowledge and consent, in addition to soliciting loans from [the broker-dealer customer]. Which Unger never intended to repay and did not repay, to enrich himself and pay for his own personal expenses.”

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Unger’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 Unger 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; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Unger be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

Brent J. Fields
Secretary