

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 4890 / April 20, 2018**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18443**

**In the Matter of**

**STEVEN M. SIMMONS,**

**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 Steven M. Simmons (“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 paragraph 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. From at least in or about 2013 through in or about January 2017, Respondent acted as an associated person of an unregistered investment adviser. Respondent was previously a registered representative of numerous broker-dealers registered with the Commission, spanning a period from September 1997 to April 2013. Respondent, 49 years old, is a resident of Wilton, Connecticut.

2. On October 30, 2017, Respondent pled guilty to one count of conspiracy to commit securities fraud and wire fraud in violation of Title 18 United States Code, Section 371 before the United States District Court for the Southern District of New York, in United States v. Steven Simmons, No. S1 17 Cr. 127 (KMW).

3. The count of the criminal indictment to which Respondent pled guilty alleged, inter alia, that Respondent (i) participated in a scheme to defraud investors by soliciting investments through false representations; (ii) solicited investments through a corporate entity that he operated and which advertised itself as specializing in allocating investment capital to various portfolio managers and delivering consistent above market returns while maintaining a vigilant focus on capital preservation; (iii) falsely told investors that investment funds would be used for legitimate, specified investment purposes, when he knew that funds would instead be used to repay other investors whose funds had been embezzled and diverted to his personal use and the personal use of others; (iv) falsely told an investor that investment funds would be invested in securities, that the investor would receive a return of not less than 15%, and that the principal investment would not be placed at risk or commingled with other investor funds; (v) falsely told an investor that investment funds would be allocated among portfolio managers for investment in securities; and (vi) misappropriated investor funds, including by diverting investor funds to his personal use. As a result of the fraudulent scheme, which Respondent furthered through false statements to investors, investors were defrauded out of more than approximately \$20 million.

### IV.

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

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

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