

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 94904 / May 12, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20851

In the Matter of

PETER J. BAKER,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934, 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) of the Securities Exchange Act of 1934 (“Exchange Act”) against Peter J. Baker (“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 paragraph 3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, 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. Respondent is 77 years old and resides in Lawrenceville, Georgia. Respondent has not been registered with the Commission in any capacity

2. On June 4, 2019, the Commission filed a complaint against Respondent in the civil action entitled SEC v. Baker, et al., 1:19-cv-02565, in the U.S. District Court for the Northern District of Georgia. The Commission's complaint alleged that between 2013 and 2017, Respondent engaged in a prime bank scheme defrauding investors of at least \$2.2 million. The complaint alleged that Respondent offered prime bank instruments to investors, made false representations about the existence and legitimacy of the instruments and related transactions, and lulled investors. The complaint also alleged that the Respondent acted as an unregistered broker or dealer.

3. On January 5, 2021, the court issued an opinion in SEC v. Baker, et al. granting summary judgment in favor of the Commission and finding that Respondent violated Section 17(a) of the Securities Act of 1933 and Section 10(b), Rule 10b-5, and Section 15(a) of the Securities Exchange Act of 1934. The court's opinion also found that Respondent made false statements as to his ability to obtain, control, and deliver prime bank instruments and refund investors' fees if the transactions failed. The Respondent also acted, per the court's findings, as an unregistered broker or dealer because he coordinated and effected securities transactions, induced the investors to purchase putative prime-bank instruments, solicited and recruited investors, received transaction-based compensation in the form of financial fees, and controlled investor funds. On November 9, 2021, the court issued a final judgment that permanently enjoined Respondent from future violations of the foregoing securities laws and imposed monetary relief that included disgorgement of \$194,262 with prejudgment interest of \$30,308.32 and a civil penalty of \$585,141.

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 15(b)(6) of the Exchange 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; and pursuant to Section 15(b)(6) of the Exchange Act Respondent 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.

Vanessa A. Countryman
Secretary