

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 95121 / June 17, 2022

INVESTMENT ADVISERS ACT OF 1940
Release No. 6051 / June 17, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20901

In the Matter of

ERIN VERESPY,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) 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) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Erin Verespy (“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 her 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 15(b) of the Securities Exchange Act of 1934 and 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. Verespy was a registered representative of registered broker-dealer HD Vest Investment Services (CRD No. 13686) from 1998 to 2019 and was an investment adviser representative of registered investment adviser H.D. Vest Advisory Services, Inc. (CRD No. 104556) from 2000-2019. Verespy, 51 years old, is a resident of Trumbull, Connecticut.

2. On April 14, 2021, Verespy pled guilty to one count of conspiracy to commit wire fraud and bank fraud in violation of Title 18 United States Code, Section 1349 before the United States District Court for the Southern District of New York, in United States v. Erin Verespy, 7:21-CR-00024(CS). On March 29, 2022, a judgment in the criminal case was entered against Verespy. She was sentenced to a prison term of 66 months followed by five years of supervised release and ordered to make restitution in the amount of \$16,053,508.19, jointly and severally with three co-defendants, and to forfeit \$1,066,038.02.

3. The July 13, 2020 Sealed Complaint, and the March 10, 2021 Superseding Information to which Verespy pled guilty, alleged, inter alia, that Verespy served as Chief Financial Officer of Employee Benefit Solutions LLC ("EBS") from at least July 2017 and continuing through 2019, that EBS served as a third-party administrator to process healthcare claims for an automobile dealership chain, that EBS would generate bimonthly invoices for the automobile dealership chain reflecting expenses submitted to EBS by healthcare providers for the dealership chain's employees, that the automobile dealership chain would reimburse EBS by wire transfer the total invoiced, that EBS did not pay the billing healthcare providers for a large number of the claims for which the automobile dealership chain provided reimbursement, and that some of the funds were instead used to pay personal expenses of Verespy's co-defendants and were otherwise misappropriated.

IV.

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

It is further ORDERED, pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Verespy 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, compliance with the Commission's Order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission Order; (d) 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 (e) 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