

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 96238 / November 4, 2022

INVESTMENT ADVISERS ACT OF 1940
Release No. 6183 / November 4, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-21232

In the Matter of

TYLER FORBES,

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 Tyler Forbes (“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 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. From approximately August 2016 through August 2019, Forbes was employed by, and an associated person of, financial institutions registered with the Commission as broker-dealers and investment advisers. Forbes, 28 years old, is a resident of Fayetteville, New York.
2. On April 14, 2022, Forbes pled guilty to one count of manipulation of security prices in violation of Title 15, United States Code, Sections 78i(a)(2) and 78ff before the United States District Court for the Eastern District of New York, in United States v. Tyler Forbes, Crim. Case No. 1:22-cr-00097. On July 28, 2022, a judgment in the criminal case was entered against Forbes. He was sentenced to a prison term of time served followed by two years of supervised release and ordered to pay a fine of \$15,000.
3. The count of the criminal information to which Forbes pled guilty alleged, inter alia, that, between in or about January and June of 2019, while employed as a trader by a global financial institution, Forbes engaged in a manipulative and unlawful “spoofing” strategy, to manipulate the market prices of certain U.S. Treasury securities. The information further alleged that Forbes’s spoofing strategy involved electronically placing large, non-bona fide orders that he intended to cancel on one side of the market, while simultaneously entering smaller, bona fide orders that he intended to execute on the opposite side of the market. According to the information, the purpose of the non-bona fide orders was to create a false appearance of market depth and activity in order to mislead other traders and artificially raise or depress the prevailing market prices, so that Forbes could execute his bona fide orders more easily or more profitably. The information alleged that Forbes canceled his non-bona fide orders after executing his bona fide orders.

IV.

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