

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 98133 / August 15, 2023

INVESTMENT ADVISERS ACT OF 1940
Release No. 6377 / August 15, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21563

In the Matter of

JAMES P. ANGLIM,

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 James P. Anglim (“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 III.2 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, 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 May 2019 to October 2022, James P. Anglim (“Anglim”) was a registered representative of a firm that was dually registered with the Commission as an investment adviser and broker dealer. From January 2015 to April 2019, Anglim was a registered representative of another registered broker-dealer. Prior to that, Anglim had been associated with registered broker-dealers between March 1998 and January 2015. Anglim is 50 years old and is a resident of Manasquan, New Jersey.

2. On August 3, 2023, a final judgment was entered by consent against Anglim permanently enjoining him from violating Section 17(a) of the Securities Act of 1933 and Sections 9(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, ordering Anglim to pay disgorgement in an amount totaling \$405,991 and prejudgment interest of \$82,009, as well as imposing a penny stock bar against Anglim, in the civil action entitled *Securities and Exchange Commission v. James P. Anglim*, Civil Action No. 1:23-cv-11598, (D. Mass. filed on July 17, 2023).

3. From November 2016 to February 2022, Anglim, *inter alia*, helped facilitate market manipulation schemes involving the purchase and sale of stock in certain over-the-counter (“OTC”) issuers. Two brokerage firms, including one dually registered as a broker-dealer and investment adviser, that Anglim was associated with during the relevant period acted as “market makers.” Market makers are brokerage firms that provide market liquidity for stocks by holding themselves out as willing to buy or sell securities through regular or continuous quotations near or at the market price. For some clients, Anglim acted as a registered representative of a broker-dealer that engages in market making. However, on other occasions, he abused his position to help several groups controlled by suspected or known securities laws violators illegally sell their OTC stock at manipulated prices to unsuspecting investors. These groups typically hid the fact that they controlled more than 10 percent of an issuer’s shares by dividing the ownership of their shares between numerous nominee corporations. Often, these groups controlled most, or almost all, of these issuers’ shares that were publicly available for trading. Despite the fact that these groups were not customers of the broker-dealer firms that Anglim worked for, Anglim entered into arrangements with these groups where he presented himself as a market maker for his firm to sell the OTC stocks short consistent with the prices suggested by the groups. Anglim then covered the short positions by buying sufficient shares from these groups in pre-arranged transactions. When Anglim submitted orders to buy at the end of each trading day, he knew that the groups would submit orders to sell at substantially the same volume and within an agreed price range so that Anglim typically would profit when he covered his short sales. Anglim’s activities artificially increased liquidity in the OTC stocks that the groups wanted to liquidate. His trading also made it appear to the market that the increase in trading volume and price was solely the result of independent investors’ demand for the shares. Anglim used the cover of his firm’s market making status to facilitate the groups’ manipulative trading on an unsuspecting market.

4. Through this process and in conjunction with these groups' aggressive stock promotions, Anglim helped liquidate huge blocks of the groups' stock. In some instances, Anglim also traded in his personal brokerage account during the groups' promotional campaigns and manipulative trading schemes. Anglim's trading often resulted in riskless profits to his firms' accounts, and occasionally to his personal brokerage accounts, and facilitated the groups' dumping of their shares at manipulated prices for significant profits.

IV.

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