

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6486 / November 20, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21802

In the Matter of

MARGUERITE
CASSANDRA TOROIAN,

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 Marguerite Cassandra Toroian (“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 her 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 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. Toroian was an investment adviser with the then-registered investment advisory firm Bell Rock Capital, LLC (“Bell Rock”). Toroian was Bell Rock’s founder, sole owner, Managing

Member, President, Chief Investment Officer, and Chief Compliance Officer from the time Bell Rock was founded in 2006 through at least December 31, 2015. Toroian, age 51, is a resident of Broward County, Florida. Toroian previously held Series 7, 24 63, and 65 licenses, although no longer holds an active license as an investment adviser as of July 2, 2023. Bell Rock is no longer registered as an investment adviser with the Securities and Exchange Commission.

2. On November 16, 2023 a final judgment was entered by consent against Toroian, permanently enjoining her from future violations of Section 17(a) of the Securities Act of 1933 (“Securities Act”), Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 thereunder, Sections 206(1) and 206(2) of the Advisers Act, and from aiding and abetting an investment adviser’s violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, in the civil action entitled Securities and Exchange Commission v. Marguerite Cassandra Toroian, Civil Action Number 2:22-cv-00715, in the United States District Court for the Eastern District of Pennsylvania.

3. The Commission’s complaint alleged that Toroian engaged in a “cherry-picking” scheme from at least January 1, 2011 through December 31, 2015, during which time Toroian placed trades through a master trading account on behalf of all of Bell Rock’s clients and disproportionately allocated profitable trades to accounts belonging to herself and her family members, and disproportionately allocated unprofitable trades to many of Bell Rock’s clients. The complaint further alleged that Toroian made material misrepresentations to clients in Bell Rock’s Form ADV and other communications, including, for instance, that Bell Rock and its associated persons would always act in their clients’ best interest and not put their interests before clients’. The complaint also alleged that Toroian aided and abetted Bell Rock’s violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

IV.

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

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