

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 99560 / February 20, 2024

INVESTMENT ADVISERS ACT OF 1940
Release No. 6561 / February 20, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21859

In the Matter of

ANDREW M. KOMAROW,

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 Andrew M. Komarow (“Komarow” or “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 Section III, paragraph 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. Komarow (CRD No. 5838564), 34 years old, is a resident of Avon, Connecticut. Komarow was a registered representative with Broker-Dealer A, a broker-dealer and investment adviser registered with the Commission, from April 2016 through December 2022. Komarow was also a registered representative with Investment Adviser A, an investment adviser registered with the Commission, from August 2016 through November 2022, and was briefly registered with other broker-dealers and investment advisers registered with the Commission from December 2022 through March 2023. In the course of his associations with these firms, Komarow used several d/b/a names including Tenpath Financial Group, The Neurodiversity Index, and Planning Across the Spectrum.

2. On December 8, 2023, the Commission filed a complaint against Komarow entitled SEC v. Komarow (Civil Action No. 3:23-cv-01599) in the United States District Court for the District of Connecticut. On December 20, 2023, the court entered a judgment by consent against Komarow permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

3. The Commission’s complaint alleged that, from October 2022 to January 2023, Komarow engaged in a “free-riding” securities trading scheme under which he made unfunded automated clearing house (“ACH”) transfers of money totaling \$6.9 million from multiple bank accounts to accounts at broker-dealers and engaged in speculative trading with the resulting credits before the transfers were cancelled for insufficient funds. The Commission alleged that, although Komarow’s trading at each broker-dealer was largely unprofitable, Komarow removed funds from two accounts in which he had engaged in free-riding. Komarow’s free-riding scheme left the broker-dealers with losses that together totaled more than \$3 million.

IV.

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