

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 102283 / January 24, 2025

INVESTMENT ADVISERS ACT OF 1940
Release No. 6837 / January 24, 2025

ADMINISTRATIVE PROCEEDING
File No. 3-21266

In the Matter of

MICHAEL A. GRAMINS,

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940**

I.

On December 30, 2022, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings 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 Michael A. Gramins (“Respondent” or “Gramins”).

II.

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.3 and III.4, and consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act and Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

III.

On the basis of the foregoing, the Commission finds that:

1. From August 2009 through May 2015, Respondent was a registered representative associated with Nomura Securities International, Inc. (“Nomura”), a broker-dealer and investment adviser registered with the Commission. Specifically, Respondent was a trader on the non-agency residential mortgage-backed securities (“RMBS”) desk at Nomura. As a trader, Gramins directed subordinates in trading RMBS and interacted with counterparties. Respondent, 42 years old, is a resident of Chapel Hill, North Carolina.

2. The Commission’s complaint alleged that, in connection with the sale of RMBS at Nomura, while Gramins was a trader associated with Nomura, Respondent made materially misleading statements to counterparties about the prices at which Nomura bought or sold RMBS and the amount of the firm’s compensation for arranging the trades.

3. On April 26, 2022, a judgment was entered by consent against Gramins, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled *Securities and Exchange Commission v. Michael Gramins, et al.*, Civil Action Number 15-cv-7045, in the United States District Court for the Southern District of New York.

4. In *United States v. Gramins et al.*, Crim. No. 15-cr-00155 (D. Conn.) (RNC), on June 15, 2017, Gramins was convicted of one count of conspiracy to commit wire fraud and securities fraud in violation of Title 18 of the United States Code, Section 371 [18 U.S.C. § 371] relating to certain matters alleged in the Commission’s complaint. Defendant was acquitted on six related counts, and the jury was unable to reach a verdict on two related counts. Gramins’s conviction was upheld on appeal.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent’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 Gramins 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 with the right to apply for reentry after five (5) years.

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