

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 6896 / July 15, 2025**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 35678 / July 15, 2025**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-22493**

**In the Matter of**

**SUZANNE BALLEK**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTIONS 203(f) AND  
203(k) OF THE INVESTMENT ADVISERS  
ACT OF 1940 AND SECTION 9(b) OF THE  
INVESTMENT COMPANY ACT OF 1940,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS AND A CEASE-  
AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(f) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”) and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) against Suzanne Ballek (“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, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Administrative and Cease-And-Desist Proceedings, Pursuant to Sections 203(f) and 203(k) of the Investment Advisers Act of 1940 and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions And A Cease-And-Desist Order (“Order”), as set forth below.

### **III.**

On the basis of this Order and Respondent's Offer, the Commission finds<sup>1</sup> that:

#### **Summary**

1. These proceedings arise from Suzanne Ballek modifying records of her employer ("Adviser A"), a formerly SEC-registered investment adviser, before providing those records to the Commission staff in the course of staff's examination.

2. From September 2022 to September 2023, Commission staff in the Division of Examinations ("Exam Staff") performed an examination of Adviser A. As part of that examination, Exam Staff requested documents and information related to Adviser A's pre-clearance trading policy applicable to certain of Adviser A's supervised persons. Ballek, Adviser A's Chief Compliance Officer ("CCO"), collected and produced these documents to the Exam Staff, which included pre-clearance trading forms related to a particular portfolio manager. Before providing these forms, however, Ballek modified the dates and/or filled in missing information on many of the forms, which in many cases had been filled out after the trades were completed and after any oral trade authorizations were provided. By doing so, she created the appearance that certain forms were completed correctly and signed on the date of the transactions. In certain instances where there had been no form completed for a particular trade, Ballek created a form and affixed the trader's signature to it without the trader's knowledge or authorization before providing them to the Exam staff.

#### **Respondent**

3. Suzanne Ballek was the Vice President and CCO of Adviser A, an investment adviser formerly registered with the Commission, from 2015 until she resigned in December 2023. Ballek, 58 years old, is a resident of Woodridge, Illinois. Ballek is an Illinois-registered certified public accountant.

#### **Other Relevant Entity**

4. Adviser A, a Delaware limited liability company, was an investment adviser registered with the Commission from March 2001 until it terminated its registration in January 2024. According to its Form ADV filed December 11, 2023, Adviser A had approximately \$249 million in regulatory assets under management and managed 31 client accounts, which consisted nearly entirely of Adviser A affiliates, employees, and family.

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<sup>1</sup> The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

### **Adviser A's Pre-Trade Clearance Policies and Procedures**

5. As a registered investment adviser, Adviser A was required under Section 204A of the Advisers Act and Rule 204A-1 thereunder to establish, maintain, and enforce a written code of ethics that required, among other things, reporting by access persons of their personal securities transactions and holdings periodically. An "access person" under Rule 204A-1 includes supervised persons involved in making securities recommendations to clients.

6. Adviser A's Code of Ethics required that access persons report their securities transactions and holdings consistent with the requirements of Rule 204A-1. The Code of Ethics further required that access persons obtain the approval of Adviser A's CCO prior to purchasing or selling securities in their personal accounts.

7. Adviser A's written policies and procedures provided that the firm keep true, accurate, and current records of any decisions to approve securities transactions by access persons for six years.

8. As part of the implementation of the Code of Ethics and written policies and procedures, Ballek, Adviser A's CCO, created a "Securities Transaction Request Form" as a method to document the request and approval of access persons' securities transactions. The access person would fill out the form and sign it, and Ballek would sign it as well to indicate her approval. Although the form was not required by the Code of Ethics, Ballek developed it to enable Adviser A to evidence compliance with access person approval processes.

9. In practice, the Securities Transaction Request Forms were often not completed until after the transactions were made. According to Ballek, access persons would often obtain verbal approval of their transactions and then fill out and turn in the Securities Transaction Request Form later. In such cases, Ballek provided the access person with a copy of the form with her approval signature and retained a copy for Adviser A's records. On occasion, for some trades, a Securities Transaction Request Form was never completed.

### **2022-2023 SEC Examination**

10. During 2022 and continuing into 2023, Exam Staff conducted an examination of Adviser A. Ballek was the Exam Staff's primary contact and took the lead in gathering requested records for the Exam Staff. As part of that examination, Exam Staff requested the firm's pre-clearance policies and procedures as well as documents related to the personal trading activity of one of Adviser A's portfolio managers.

11. Ballek gathered and produced these documents to Exam Staff, including the Securities Transaction Request Forms for the portfolio manager. However, before producing these forms, Ballek modified approximately 170 forms in an attempt to show compliance with Adviser A's Code of Ethics and policies and procedures. The most common alteration she made was changing the dates the forms were signed by the portfolio manager or herself to match the trade date. This portfolio manager typically did not fill out and submit the Securities Transaction

Request Form until after he completed the trade, so many of his forms were signed after the transaction date. For any form where the portfolio manager's or her signature did not match the trade date, which was true for the vast majority of the forms from 2019 to 2021, Ballek changed the original date by writing over the original date and/or using whiteout to remove the original date, to make it appear as if the forms were signed on the transaction date. Ballek also filled in missing information on some of the forms before providing them to Exam Staff. For transactions by the portfolio manager for which no form existed, Ballek created a Securities Transaction Request Form and affixed the portfolio manager's signature on the newly created form without the portfolio manager's knowledge or authorization.

12. When Exam Staff questioned Ballek about the apparent alterations to the Securities Transaction Request Forms, she claimed that the portfolio manager had filled out the forms incorrectly and that, at the time the forms were submitted to her, she made the changes. She did not inform Exam Staff that she modified the forms in response to their request or that she had created forms in instances where no form existed.

13. By altering the forms and creating fictitious forms, Ballek failed to keep true and accurate records required by Adviser A's written policies and procedures, and failed to provide the Exam Staff with true and accurate records in response to the Commission's examination.

### **Violations**

14. As a result of the conduct described above, Ballek willfully aided and abetted and caused Adviser A's violations of Section 204(a) of the Advisers Act, which requires investment advisers who make use of the mails or of any means or instrumentality of interstate commerce (other than those specifically exempted from registration pursuant to Section 203(b) of the Advisers Act) to make its records available for examination by representatives of the Commission.

15. As a result of the conduct described above, Ballek willfully aided and abetted and caused Adviser A's violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, which together require an investment adviser registered with the Commission to adopt and implement written policies and procedures reasonably designed to prevent violation of the Advisers Act and rules thereunder by the investment adviser and its supervised persons.

### **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, pursuant to Sections 203(f) and 203(k) of the Advisers Act and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent Ballek cease and desist from committing or causing any violations and any future violations of Sections 204(a) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

B. Respondent Ballek shall be, and hereby is, subject to the following limitations and prohibitions on her activities:

- (1) Respondent shall not act in a compliance capacity with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization for a period of three (3) years.
- (2) Respondent shall not act in a compliance capacity with any advisory board, investment advisor or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter, for a period of three (3) years.

C. Respondent shall certify, in writing, 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. The Commission staff may make reasonable requests for further evidence of compliance, and Respondent agrees to provide such evidence. The certification and any supplemental material shall be submitted to Jeffrey Shank, Assistant Regional Director, Division of Enforcement, Securities and Exchange Commission, 175 W. Jackson Blvd., Suite 1450, Chicago, IL 60604, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the compliance limitation.

D. Ballek shall, within 14 days of the entry of this Order, pay a civil money penalty in the amount of \$40,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Section 21F(g)(3) of the Securities Exchange of 1934. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Suzanne Ballek as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Jeffrey Shank, Assistant Regional Director, Division of Enforcement, Securities and Exchange Commission, 175 W. Jackson Blvd., Suite 1450, Chicago, IL 60604.

E. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, she shall not argue that she is entitled to, nor shall she benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that she shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

## V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Vanessa A. Countryman  
Secretary