

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

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ADMINISTRATIVE PROCEEDING
File No. 3-16037

In the Matter of

EDGAR R. PAGE and
PAGEONE FINANCIAL
INC.,

Respondents.

ANSWER OF EDGAR R. PAGE
AND PAGEONE FINANCIAL, INC.

PageOne Financial, Inc. ("PageOne") and Mr. Edgar R. Page, by their attorneys, Ropes & Gray LLP and Iseman Cunningham Riester & Hyde, LLP, answer the allegations contained in the Order Instituting Administrative and Cease-and-Desist Proceedings pursuant to Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 (the "Advisers Act") and Section 9(b) of the Investment Company Act of 1940 (the "Company Act"), dated August 26, 2014, as follows:

WITH RESPECT TO SECTION I

PageOne and Mr. Page state that they lack sufficient knowledge and/or information to admit or deny the statements contained in that paragraph and deny that they violated any of the listed provisions of the securities laws.

WITH RESPECT TO SECTION II

1. PageOne and Mr. Page admit that PageOne is a registered investment adviser and that Mr. Page is PageOne's sole owner and principal, but deny all other statements, allegations, and/or implications contained in Paragraph 1.

2. PageOne and Mr. Page admit that Mr. Page and the Fund Manager negotiated for the Fund Manager's possible purchase of an interest in PageOne and that earnest money deposits (*i.e.*, down payments on the anticipated acquisition of PageOne stock secured by promissory notes) were paid to Mr. Page from early 2009 through approximately September 2011, but deny all other statements, allegations, and/or implications contained in Paragraph 2.

3. PageOne and Mr. Page address each sentence in Paragraph 3 separately as follows: PageOne and Mr. Page deny the statements contained in Sentence 1 of the paragraph. Sentence 2 purports to summarize statements made in particular documents. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the documents speak for themselves and do not require a response. To the extent that a response is deemed necessary, PageOne and Mr. Page deny the implication that these statements materially misrepresented any facts or circumstances. With respect to Sentence 3, PageOne and Mr. Page admit that the Fund Manager paid earnest money deposits to Mr. Page from early 2009 through approximately September 2011, but deny all other statements, allegations, and/or implications contained in the sentence. PageOne and Mr. Page deny the statements contained in Sentence 4.

4. PageOne and Mr. Page deny the statements contained in Paragraph 4.

5. PageOne and Mr. Page address each sentence in Paragraph 5 separately as follows: PageOne and Mr. Page lack sufficient knowledge and/or information to admit or deny the statements contained in Sentence 1, but believe these statements are incorrect. With respect

to Sentence 2, PageOne and Mr. Page admit that certain earnest money deposits were paid by the Fund Manager to Mr. Page, but deny all other statements, allegations, and/or implications contained in the sentence.

6. PageOne and Mr. Page address each sentence in Paragraph 6 separately as follows: PageOne and Mr. Page admit the statements contained in Sentences 1 and 2, and with respect to the dates referenced in these sentences, PageOne and Mr. Page aver that to the best of their knowledge and/or information they are approximately accurate. PageOne and Mr. Page deny the statements contained in Sentences 3 and 4.

7. PageOne and Mr. Page admit the statements contained in Paragraph 7, and with respect to the dates and amounts referenced in Paragraph 7, PageOne and Mr. Page aver that to the best of their knowledge and/or information they are approximately accurate.

8. PageOne and Mr. Page lack sufficient knowledge and/or information to admit or deny the statements contained in Paragraph 8.

9. PageOne and Mr. Page admit the statements contained in Paragraph 9.

10. PageOne and Mr. Page admit that Mr. Page and the Fund Manager negotiated for the Fund Manager's possible purchase of an interest in PageOne, but deny all other statements, allegations, and/or implications contained in Paragraph 10.

11. PageOne and Mr. Page admit that Mr. Page and the Fund Manager negotiated for the Fund Manager's possible purchase of an interest in PageOne, but deny all remaining statements, allegations, and/or implications contained in Paragraph 11.

12. PageOne and Mr. Page address each sentence in Paragraph 12 separately as follows: PageOne and Mr. Page admit the statements contained in Sentence 1. PageOne and Mr. Page lack sufficient knowledge and/or information to admit or deny the statements contained

in Sentence 2, but believe these statements are incorrect. PageOne and Mr. Page admit the statements contained in Sentence 3..

13. PageOne and Mr. Page admit that that Mr. Page and the Fund Manager negotiated for the Fund Manager's possible purchase of an interest in PageOne and that earnest money deposits were paid to Mr. Page from early 2009 through approximately September 2011, but deny all other statements, allegations, and/or implications contained in Paragraph 13.

14. PageOne and Mr. Page address each sentence in Paragraph 14 separately as follows: PageOne and Mr. Page deny the statements contained in Sentence 1 of the paragraph. PageOne and Mr. Page deny the statements contained in sub-part (a) of Sentence 2 and lack sufficient knowledge and/or information to admit or deny the remaining statements contained in Sentence 2, but believe these statements are incorrect. PageOne and Mr. Page lack sufficient knowledge and/or information to admit or deny the statements contained in Sentence 3 of the paragraph, but believe these statements are incorrect.

15. PageOne and Mr. Page deny the statements contained in Paragraph 15.

16. PageOne and Mr. Page address each sentence in Paragraph 16 separately as follows: PageOne and Mr. Page admit the statements contained in Sentences 1 and 2 of the paragraph. PageOne and Mr. Page deny the statements contained in Sentence 3 of the paragraph. Sentence 4 purports to describe statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. To the extent that a response is deemed necessary, PageOne and Mr. Page deny the implication that these statements evidenced an understanding by Mr. Page that he would be personally liable for the notes in the event that the contemplated stock purchase transaction by the Fund Manager was not consummated.

17. PageOne and Mr. Page deny the statements contained in Paragraph 17.

18. PageOne and Mr. Page address each sentence in Paragraph 18 separately as follows: PageOne and Mr. Page deny the statements contained in Sentences 1 and 2 of the paragraph. With respect to Sentence 3, PageOne and Mr. Page admit that Mr. Page was paid \$300,000 in earnest money deposits by the Fund Manager during the period from March through July 2009, but deny all other statements, allegations, and/or implications contained in the sentence.

19. PageOne and Mr. Page admit that Mr. Page was Chief Compliance Officer, Chairman, CEO, and controlling person of PageOne, but deny all other statements, allegations, and/or implications contained in Paragraph 19.

20. PageOne and Mr. Page address each sentence in Paragraph 20 separately as follows: With respect to Sentence 1 of the paragraph, PageOne and Mr. Page admit that PageOne's Form ADV was revised on or about July 31, 2009. The remainder of Sentence 1 purports to summarize statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. Sentence 2 of the paragraph purports to describe statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. PageOne and Mr. Page deny the statements contained in Sentence 3 of the paragraph. PageOne and Mr. Page admit the statements contained in Sentence 4 of the paragraph, and with respect to the dates and amounts referenced in this sentence, PageOne and Mr. Page aver that to the best of their knowledge and/or information they are approximately accurate.

21. Paragraph 21 purports to recite verbatim statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response.

22. PageOne and Mr. Page address each sentence in Paragraph 22 separately as follows: PageOne and Mr. Page deny the statements contained in Sentence 1 of the paragraph. PageOne and Mr. Page admit the statements contained in Sentence 2 of the paragraph. PageOne and Mr. Page deny the statements contained in Sentence 3 the paragraph, including those contained in sub-parts (a)-(c).

23. PageOne and Mr. Page deny the statements contained in Paragraph 23.

24. PageOne and Mr. Page address each sentence in Paragraph 24 separately as follows: Sentence 1 implies that all “payments” from the Fund Manager to Mr. Page were subject to the “between 7.0% and 0.75% of the amount invested” limitation for “referral fee[s]” that was included in PageOne’s Form ADV to disclose a potential conflict of interest. PageOne and Mr. Page admit that the Fund Manager paid Mr. Page earnest money deposits, but deny that these deposits were “referral fee[s]” subject to the aforementioned limitation, and deny any other statements, allegations, and/or implications in the sentence. PageOne and Mr. Page respectfully make reference to the evidence to be submitted at trial as to the precise nature and materiality of these payments and their implications. With respect only to the dates and amounts referenced in Sentence 2 of the paragraph, PageOne and Mr. Page lack sufficient knowledge and/or information to admit or deny these statements, but PageOne and Mr. Page deny any implication that the earnest money deposits from the Fund Manager to Mr. Page were materially misrepresented in PageOne’s Form ADV.

25. PageOne and Mr. Page deny the statements contained in Paragraph 25.

26. PageOne and Mr. Page address each sentence in Paragraph 26 separately as follows: With respect to Sentence 1 of the paragraph, PageOne and Mr. Page admit that PageOne's Form ADV was revised on or about September 14, 2010. The remainder of Sentence 1 purports to summarize statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. PageOne and Mr. Page deny the statements contained in Sentence 2 of the paragraph.

27. PageOne and Mr. Page address each sentence in Paragraph 27 separately as follows: Sentences 1 and 2 of the paragraph purport to summarize statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. Sentence 3 of the paragraph purports to recite verbatim statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response.

28. PageOne and Mr. Page address each sentence in Paragraph 28 separately as follows: PageOne and Mr. Page admit the allegations contained in Sentence 1 of the paragraph. With respect to Sentence 2, PageOne and Mr. Page admit that the Fund Manager continued to pay earnest money deposits to Mr. Page between September 14, 2010 and March 1, 2011, admit that PageOne's Form ADV was revised on or about March 1, 2011, lack sufficient knowledge and/or information to admit or deny the statements regarding client investment amounts, and deny all other statements, allegations, and/or implications in the sentence.

29. PageOne and Mr. Page address each sentence in Paragraph 29 separately as follows: Sentence 1 of the paragraph purports to recite verbatim statements made in a particular

document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. PageOne and Mr. Page deny the statements contained in Sentence 2 of the paragraph. With respect to Sentence 3 of the paragraph, PageOne and Mr. Page admit that the Fund Manager paid earnest money deposits to Mr. Page before September 14, 2010, and aver that to the best of their knowledge and/or information the date and amounts referenced in Sentence 3 are approximately accurate, but deny all other statements, allegations, and/or implications in the sentence.

30. PageOne and Mr. Page deny any allegation, statement, and/or implication that PageOne's Form ADV evidences material misrepresentations by PageOne and/or Mr. Page. PageOne and Mr. Page respectfully make reference to the evidence to be submitted at trial as to the precise nature and materiality of Mr. Page's relationship with the Fund Manager. PageOne and Mr. Page deny all other statements, allegations, and/or implications in Paragraph 30.

31. PageOne and Mr. Page address each sentence in Paragraph 31 separately as follows: With respect to Sentence 1 of the paragraph, PageOne and Mr. Page admit that PageOne's Form ADV was revised on or about March 1, 2011. The remainder of Sentence 1 purports to summarize statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. PageOne and Mr. Page deny the statements contained in Sentence 2 of the paragraph. PageOne and Mr. Page lack sufficient knowledge and/or information to admit or deny the statements contained in Sentences 3 and 4 of the paragraph.

32. PageOne and Mr. Page deny the statements contained in Paragraph 32.

33. With respect to Paragraph 33, PageOne and Mr. Page admit that their clients were not told about the promissory notes, but deny that they ever made any materially misleading statements and/or omissions to their clients.

34. PageOne and Mr. Page admit the statements contained in Paragraph 34.

35. PageOne and Mr. Page deny the statements contained in Paragraph 35.

36. PageOne and Mr. Page address each sentence in Paragraph 36 separately as follows: PageOne and Mr. Page admit the statements contained in Sentence 1 of the paragraph. PageOne and Mr. Page deny the statements contained in Sentences 2 and 3 of the paragraph. Sentence 4 purports to characterize statements made in a particular document. Without admitting or denying the accuracy of those statements, PageOne and Mr. Page state that the document speaks for itself and does not require a response. To the extent a response is deemed necessary, PageOne and Mr. Page deny the characterization of the statements contained in the sentence.

37. PageOne and Mr. Page admit the statements contained in Paragraph 37, and with respect to the date referenced in the paragraph, PageOne and Mr. Page aver that to the best of their knowledge and/or information it is approximately accurate.

38. With respect to Paragraph 38, PageOne and Mr. Page admit that the Fund Manager made certain earnest money deposits to Mr. Page and admit that the contemplated stock purchase transaction was never consummated, but deny all other statements, allegations, and/or implications contained in the paragraph.

39. PageOne and Mr. Page admit the statements contained in Paragraph 39.

40. PageOne and Mr. Page deny all allegations contained in Paragraph 40.

41. PageOne and Mr. Page deny all allegations contained in Paragraph 41.

42. PageOne and Mr. Page deny all allegations contained in Paragraph 42.

WITH RESPECT TO SECTION III

PageOne and Mr. Page state that no response is necessary to Section III of the Order.

WITH RESPECT TO SECTION IV

PageOne and Mr. Page state that no response is necessary to Section IV of the Order.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

The allegations included in the Order fail to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

PageOne and Mr. Page acted at all times in good faith and relied upon expert advice to ensure that all disclosure requirements were satisfied.

THIRD AFFIRMATIVE DEFENSE

The alleged acts of noncompliance with the Advisers Act were immaterial, thereby causing there to be no violations of law, even if the alleged noncompliance had occurred.

FOURTH AFFIRMATIVE DEFENSE

Some of the Private Fund investments made by Respondents' clients were made upon recommendations by the Fund Manager directly or indirectly, and/or entities other than Respondents, and not upon the recommendation of and/or involving any advisory involvement by Respondents.

FIFTH AFFIRMATIVE DEFENSE

The remoteness in time of the alleged violations should be considered in deciding whether to grant the relief requested.

SIXTH AFFIRMATIVE DEFENSE

Neither PageOne nor Mr. Page was a "cause" of the alleged violations.

SEVENTH AFFIRMATIVE DEFENSE

Neither PageOne nor Mr. Page has "aided, abetted, counseled, commanded, induced or procured" a violation within the meaning of the securities laws.

EIGHTH AFFIRMATIVE DEFENSE

The imposition of a penalty against PageOne or Mr. Page is not in the public interest and is not consistent with the requirements of justice.

NINTH AFFIRMATIVE DEFENSE

The alleged actions of PageOne and Mr. Page were not conducted with scienter and were neither intentional nor willful.

TENTH AFFIRMATIVE DEFENSE

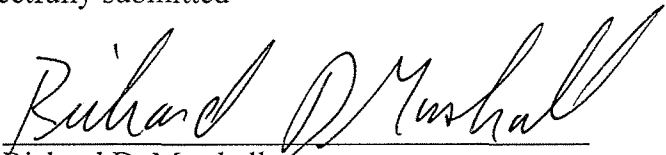
The action was not timely filed within the deadline set forth under Section 929U of the Dodd-Frank Wall Street Reform and Consumer Protection Act, codified in Section 4E of the Exchange Act.

WHEREFORE, having fully answered, Respondents PageOne and Mr. Page pray:

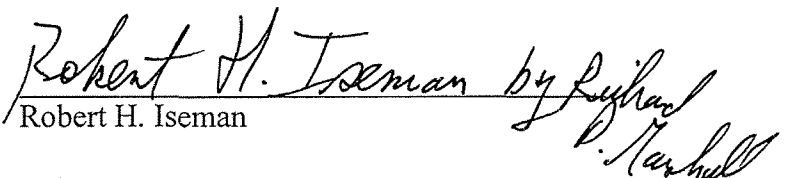
1. That the relief described in the Order be denied and the proceedings herein be dismissed; and
2. PageOne and Mr. Page be given all such further relief as the Commission may deem just and proper.

Dated: September 18, 2014
New York, New York

Respectfully submitted


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