

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4149 / July 28, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16706

In the Matter of

SACHIN K. UPPAL,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940
AND NOTICE OF HEARING

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 Sachin K. Uppal (“Uppal” or “Respondent”).

II.

After an investigation, the Division of Enforcement alleges:

A. RESPONDENT

1. Uppal is 37 years old and is currently incarcerated at the Federal Correctional Institution in Morgantown, West Virginia. From at least July 2007 until September 2013, Uppal was the principal and sole member of Jefferson Smith Trading Co., LLC (“Jefferson Smith”), a Michigan corporation. Uppal described Jefferson Smith to investors as a hedge fund of which he was the general partner. Uppal represented to investors that he would use the proceeds of their investments in Jefferson Smith to buy and sell securities on their behalf, and at times he did in fact trade securities for Jefferson Smith investors. As such, Uppal was associated with an investment adviser from 2007 to 2013. Neither Uppal nor Jefferson Smith has ever been registered with the Commission in any capacity.

B. RESPONDENT'S CRIMINAL CONVICTION

2. On August 14, 2014, Uppal pled guilty to one count of wire fraud in violation of Title 18 of the United States Code Section 1343 before the United States District Court for the Eastern District of Michigan, in United States v. Sachin Uppal, No. 14-cr-20354. On December 16, 2014, the Court entered a judgment against Uppal based on the wire fraud charge, sentenced him to 64 months imprisonment followed by 36 months of supervised release, and ordered him to pay restitution of \$3,867,187 to the 14 victims of his fraudulent scheme.

3. The count of the criminal indictment to which Uppal pled guilty alleged, among other things, that Uppal devised and knowingly executed a scheme to obtain money and funds from Jefferson Smith investors by means of false or fraudulent pretenses, representations, or promises in connection with the purchase or sale of securities. In particular, from at least July 2007 to September 2013, Uppal perpetrated a scheme to defraud the Jefferson Smith investors by, among other things, soliciting millions of dollars of investment funds under false pretenses, failing to invest the money as promised, falsely reporting to investors that his purchases and sales of securities resulted in high rates of returns to the fund, and misappropriating and converting investor funds to his own benefit without knowledge and authorization of investors.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations.

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as

provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary