

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4303 / December 23, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16722

In the Matter of

ERIC A. BLOOM,

Respondent.

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

I.

On August 5, 2015, the Securities and Exchange Commission (“Commission”) instituted proceedings pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Eric A. Bloom (“Respondent” or “Bloom”).

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 paragraphs III.2. and III.3. below, and consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

Respondent

1. Bloom, age 50, was President and Chief Executive Officer of Sentinel Management Group, Inc. (“Sentinel”), an investment adviser formerly registered with the Commission, from October 1988 until August 2007. He formerly resided in Northbrook, Illinois.

Criminal Conviction of Respondent

2. On March 24, 2014, in *United States v. Eric A. Bloom*, Case No. 1:12-cr-409, Defendant was convicted of violations of 18 U.S. Code Section 1343 (wire fraud) and 15 U.S. Code Sections 80b-6(1) and (2), and 80b-17 and 15 U.S.C Code Section 2 (investment adviser fraud). On March 20, 2015, a judgment in the criminal case was entered against Bloom. He was sentenced to a prison term of 14 years and ordered to make restitution in the amount of \$665,968,174.

3. The counts of the criminal information as to which Bloom was convicted alleged, *inter alia*, that Bloom, while an investment adviser, willfully, by use of a means and instrumentality of interstate commerce, namely, the phone and email, directly and indirectly, (a) employed a scheme to defraud customers and prospective customers of Sentinel and (b) engaged in a transaction, practice and course of business which operated as a fraud and deceit on Sentinel customers and prospective customers. The counts of the criminal information as to which Bloom was convicted further alleged, *inter alia*, that Bloom falsely represented and caused to be represented: the risks associated with investing in Sentinel; the use of customers' funds and securities; the value of customers' investments; and the profitability of investing with Sentinel.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Bloom's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Bloom be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent;

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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) 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 (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

This Order shall remain in full force and effect regardless of the existence or outcome of any further proceedings in United States v. Eric A. Bloom, including Respondent's pending appeal of his criminal conviction; provided, however, that if the appellate court vacates Respondent's criminal conviction, then upon motion by the Respondent, the Order will be vacated.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary