

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 76328 / November 2, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4251 / November 2, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16936

In the Matter of

**JONATHAN WARREN
BROOKS,**

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND 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 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 Jonathan Warren Brooks (“Respondent”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Respondent, 43 years old, is currently incarcerated in a state correctional institution in Kershaw, South Carolina. He was a registered investment adviser representative of J. Brooks Financial, which was registered as an investment adviser in South Carolina (South Carolina

registration approved in January 2011 and terminated in February 2013) from September 2010 to February 2013. Respondent was a registered representative associated with High Street Securities, Inc., which was registered with the Commission as a broker-dealer (SEC registration number 8-52657 approved in May 2001 and terminated in January 2014) from November 2011 to November 2012; and with Sicor Securities, Inc., which was registered with the Commission as a broker-dealer (SEC registration number 8-33445 approved in April 1985 and terminated in December 2013) from September 2009 to November 2011. Thus, for a portion of the time in which he engaged in the conduct underlying the indictments described below, Respondent was a registered investment adviser representative associated with a state registered investment adviser; and a registered representative associated with two broker-dealers that were then registered with the Commission. Respondent held Series 6, 7, 63, and 65 licenses. During the periods of Brooks' association with Sicor Securities, Inc., the broker-dealer was also registered as an investment adviser with several states.

B. ENTRY OF RESPONDENT'S CRIMINAL CONVICTION

2. On September 18, 2014, Respondent pleaded guilty to three felony counts of securities fraud and two felony counts of forgery in the Court of General Sessions of Aiken County, South Carolina. *The State vs. Jonathan Warren Brooks*, South Carolina case numbers: 2013-GS-02-1175; 2013-GS-02-1176; 2013-GS-02-1318; 2013-GS-02-1803; and 2013-GS-02-1432). On the same day, the court sentenced Respondent to fourteen years in prison followed by five years of probation and ordered him to pay \$6,403,321.07 in restitution. South Carolina's prisoner database showed that Respondent's incarceration began on September 19, 2014.

3. The counts of the criminal indictments to which Respondent pleaded guilty alleged, among other things, that from approximately January 2010 to approximately March 2013, Respondent obtained money by means of willful fraud (including selling investments in a fictional entity, improperly diverting investor funds, and making false representations to the South Carolina Securities Commissioner) and forgery (forging signatures to facilitate money transfers).

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 hereof 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 15(b) of the Exchange Act; and

C. 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.

This Order shall be served upon Respondent as provided for in Rule 141(a)(2)(iv) of the Commission's Rules of Practice, 17 C.F.R § 201.141(a)(2)(iv), by any method specified in paragraph (a)(2) of that rule, or by any other method reasonably calculated to give notice, provided that the method of service used is not prohibited by the law of the foreign country where Respondent may be found.

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