UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 78398 / July 22, 2016

INVESTMENT ADVISERS ACT OF 1940
Release No. 4462 / July 22, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17251

In the Matter of John Steven Blount, Respondent.	ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS PURSUANT TO SECTION 15(b) OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTION 203(f) OF THE INVESTMENT ADVISERS ACT OF 1940

I.

On May 12, 2016, the Securities and Exchange Commission ("Commission") instituted public administrative proceedings against John Steven Blount ("Blount" or "Respondent") 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"). The Commission now deems it appropriate and in the public interest to enter this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940 ("Order").

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 admits the findings in Section III.B.1-2 below, and consents to the entry of this Order, as set forth below.

III.

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

1.   From September 1992 through December 2001, Blount was a registered representative with NYLife Securities, Inc., a registered broker-dealer. From January 2002 through August 2003, Blount was a registered representative with Pan-American Financial Advisers, a Louisiana-based broker-dealer which withdrew its registration with the Commission on

January 1, 2007. From approximately June 1, 2007, through December 17, 2014, Respondent offered and sold securities to individual investors while acting as an unregistered investment adviser and broker. Respondent, 55 years old was a resident of Lake Charles, Louisiana.

2.   On July 16, 2015, Blount pled guilty in the United States District Court for the Western District of Louisiana to wire fraud in violation of Title 18, United States Code Section 1343. On October 29, 2015, he was sentenced to imprisonment for 235 months (19.58 years) and ordered to pay approximately $4.3 million in restitution. USA v. John Steven Blount, No. 15-CR-00143 (W.D. La.) (Oct. 29, 2015). Blount is currently in the custody of the Federal Bureau of Prisons.

3.   In his plea agreement, Blount stipulated that from approximately June 1, 2007, through December 17, 2014, he orchestrated a Ponzi scheme while acting as an unregistered investment adviser and broker. While holding himself out as an investment adviser and broker, Blount solicited investors and offered at least 72 investors the opportunity to invest in certain fictitious securities and received approximately $5.8 million. These investors were primarily elderly and retired and invested all or substantially all of their respective retirement funds. Using an internet website, personal, familial, business and charitable connections, Blount represented to investors that he would ensure their retirement goals were met with "financial products including IRA's, health insurance, life insurance and investments" and offered personal and business financial planning, retirement funding, annuities, life insurance and individual retirement accounts. To allegedly meet their retirement goals, Blount personally induced investors to purchase various securities such as bonds, investment contracts and promissory notes and guaranteed exorbitant returns ranging up to 19 percent. In actuality, these securities did not exist and Blount simply used the investors' funds for his own personal use. In order to keep the scheme operating, Blount admitted that he fabricated account statements and sent them to investors and used a portion of the most recent investors' funds to make lulling payments to prior investors to give them a false impression of the performance of their investments.

IV.

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

Accordingly, it is ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Blount be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally-recognized statistical rating organization; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

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

Brent J. Fields
Secretary