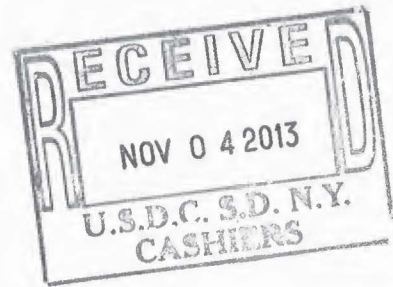


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UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION,	:	
	:	
Applicant,	:	Case No. _____
-against-	:	ECF CASE
	:	
ANTHONY CORONATI,	:	
	:	
Respondent.	:	
-----X		

**SECURITIES AND EXCHANGE COMMISSION'S
 APPLICATION FOR AN ORDER TO SHOW CAUSE AND
 FOR AN ORDER REQUIRING COMPLIANCE WITH SUBPOENAS**

The Securities and Exchange Commission ("Commission"), by its undersigned counsel, respectfully submits this Application for an Order to Show Cause and for an Order Requiring Compliance with Subpoenas ("Application"), together with the supporting Memorandum of Law and Declaration of Jess A. Velona ("Velona Declaration") and exhibits thereto, based on the following:

1. Respondent Anthony Coronati (“Coronati”) has refused to comply with lawful Commission investigative subpoenas. The subpoenas require Coronati to produce documents to and testify before the Commission in the Commission’s investigation titled *Bidtoask*, Internal File No. NY-8904 (the “Bidtoask Investigation”).

2. On April 8, 2013, pursuant to delegated authority, the Commission issued an Order Directing Private Investigation and Designating Officers to Take Testimony (the “Formal Order”), pursuant to Section 20(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77t(a); Section 21(a) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78u(a); and Section 209(a) of the Investment Advisers Act of 1940 (“Advisers Act”), 15 U.S.C. § 80b-9(a).

3. Pursuant to the Formal Order, the Commission staff is investigating whether Coronati and others have violated or are violating registration, anti-fraud, or other provisions of the federal securities laws — including Sections 5(a), 5(c), and 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 203, 206(1), 206(2) and 206(4) of the Advisers Act and Rule 206(4)-1 thereunder — by commingling investor funds with personal funds, otherwise misusing investor funds, or making materially false statements in connection with the offering and sale of securities, among other things.

4. The Formal Order designates certain individuals as officers of the Commission empowered to subpoena witnesses, to take evidence, and to require the production of any records deemed relevant or material to the investigation, pursuant to Section 19(c) of the Securities Act, 15 U.S.C. § 77s(c); Section 21(b) of the Exchange Act, 15 U.S.C. § 78u(b); and Section 209(b) of the Advisers Act, 15 U.S.C. § 80b-9(b).

5. On July 9, 2013, one of the designated Commission officers properly issued a subpoena (the “First Subpoena”) to Coronati in connection with the Bidtoask Investigation. The

Commission staff properly served the First Subpoena on Coronati, pursuant to the Commission's Rules of Practice.

6. The First Subpoena required Coronati to produce documents relevant to the Bidtoask Investigation by July 24, 2013.

7. Coronati neither produced documents nor otherwise responded to the First Subpoena.

8. On October 4, 2013, one of the designated Commission officers properly issued another subpoena (the "Second Subpoena") to Coronati in connection with the Bidtoask Investigation. On October 11, 2013, a process server personally served Coronati with the Second Subpoena and another copy of the First Subpoena, pursuant to the Commission's Rules of Practice. The Second Subpoena required Coronati to produce documents relevant to the Bidtoask Investigation by October 17, 2013, and to testify at the Commission's New York Regional Office in Manhattan on October 21, 2013.

9. Coronati neither produced documents nor otherwise responded to the Second Subpoena. Nor did Coronati appear for testimony, as required by the Second Subpoena.

10. The Commission therefore submits this Application for an Order to Show Cause, in the form attached, requiring Coronati to show cause why he should not be ordered to produce documents responsive to the First and Second Subpoenas to and to testify at the Commission's New York Regional Office, Brookfield Place, 200 Vesey Street, Suite 400, New York, New York 10281-1022.

11. The Commission further requests that, absent just cause for Coronati's failure to comply with the First and Second Subpoenas, the Court enter an order requiring Coronati to comply with both subpoenas within thirty (30) days.

12. The Court has jurisdiction over this matter and venue properly lies in this District pursuant to Section 21(c) of the Exchange Act, which provides as follows: “In case of...refusal to obey a subpoena issued to[] any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on...in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records...and any failure to obey such order of the court may be punished by such court as a contempt thereof.” 15 U.S.C. § 78u(c).

WHEREFORE, the Commission respectfully requests:

I.

That the Court enter an Order to Show Cause, directing Coronati to show cause why this Court should not enter an Order requiring his production of the subpoenaed documents and his appearance for investigative testimony before the Commission.

II.

That the Court enter an Order requiring Coronati to comply fully with the subpoenas within thirty (30) days.

III.

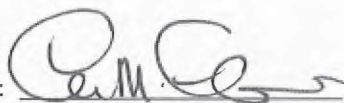
That the Court enter an Order requiring Coronati to submit a sworn statement to the Commission describing efforts made to locate responsive documents and the results of those efforts if Coronati does not have documents within his possession, custody, or control that are responsive to any document request contained in the First or Second Subpoenas.

IV.

That the Court order such other and further relief as may be necessary and appropriate to achieve compliance with the First and Second Subpoenas within the time period set forth in the proposed Order to Show Cause.

Dated: November 4, 2013
New York, New York

SECURITIES AND EXCHANGE COMMISSION

By: 

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Of Counsel:
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Kenneth Byrne
Jess A. Velona

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
SECURITIES AND EXCHANGE COMMISSION, :
 :
 Applicant, : Case No. _____
 -against- : ECF CASE
 :
 ANTHONY CORONATI, :
 :
 Respondent. :
-----X

ORDER TO SHOW CAUSE

WHEREAS, the Securities and Exchange Commission (“Commission”) applied for an order directing Respondent Anthony Coronati (“Coronati”) to show cause why he should not be ordered to produce documents and to testify as called for by the Commission’s investigative subpoenas issued to him on July 9 and October 11, 2013, respectively (the “Subpoenas”);

WHEREAS, the Court has considered the application filed by the Commission and the memorandum of law and declaration, with exhibits, filed in support of the application;

WHEREAS, based upon these documents, the Court is satisfied that the Commission has made a sufficient and proper showing in support of the relief sought in its application, and therefore:

I.

IT IS HEREBY ORDERED that Coronati shall appear before this Court at _____ m. on _____, 2013 in Room ____ of the United States Courthouse, 500 Pearl Street, New York, New York 10007, to show cause why the Court should not issue an Order:

(a) directing Coronati to produce all documents responsive to the Subpoenas within his possession, custody, or control to the Commission no later than _____, 2013;

(b) directing Coronati to appear for testimony before the Commission at Brookfield Place, 200 Vesey Street, Suite 400, New York, New York, 10281-1022, on _____, 2013 at 10:00 a.m.;

(c) directing that, in the event that Coronati does not have documents within his possession, custody, or control that are responsive to the Subpoenas issued to Coronati or to any requests contained in the Subpoenas, Coronati will submit a sworn statement to the Commission describing the efforts he made to locate responsive documents and the results of those efforts, no later than the date set forth above in paragraph (a);

(d) directing that, in the event that Coronati does not produce the documents or statements described in paragraphs (a) and (c) by the dates specified above in those paragraphs or does not appear for testimony on the date and time specified in paragraph (b),

(i) the Commission will have established a *prima facie* case of civil contempt against Coronati for his failure to comply with the Order directing him to produce documents or sworn statements and to testify; and

(ii) that Coronati may be held in civil contempt for failure to comply with that Order without further notice or hearing; and

(e) granting the relief in the foregoing paragraphs (a) through (d) against Coronati if he fails to appear before this Court at the date and time set above.

II.

IT IS FURTHER ORDERED that a copy of this Order and the papers supporting the Commission's application be served upon Coronati by mailing the papers on or before

_____, 2013 using United Parcel Service overnight delivery or any other overnight delivery service or, if he consents to email service in writing, by emailing the papers to Coronati.

III.

IT IS FURTHER ORDERED that Coronati shall file and serve any opposing papers in response to the application no later than _____, 2013. Service shall be made by delivering the papers by that date to Jess A. Velona, Esq., at the Commission's New York Regional Office via e-mail at VelonaJ@sec.gov. The Commission shall have until _____, 2013, to file and serve any reply papers. The Commission shall serve any reply papers on Coronati by mailing the papers on or before that date using United Parcel Service overnight delivery or any other overnight delivery service or, if Coronati consents to email service in writing, by emailing the papers to Coronati.

SO ORDERED.

Dated: _____, 2013
New York, New York

UNITED STATES DISTRICT JUDGE