

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4085 / May 15, 2015

Admin. Proc. File No. 3-15580

In the Matter of

ANTHONY CHIASSON

ORDER DISMISSING PROCEEDING

On May 9, 2014, Anthony Chiasson appealed an initial decision by an administrative law judge barring him from association with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.¹ The follow-on administrative proceeding was instituted against Chiasson under Section 203(f) of the Investment Advisers Act of 1940 based on his criminal conviction for insider trading and a related civil injunction.² On December 10, 2014, while his appeal was pending, the United States Court of Appeals for the Second Circuit vacated Chiasson's conviction and ordered dismissal of the indictment against him.³ As a result, the injunction was also vacated.⁴

¹ *Anthony Chiasson*, Initial Decision Release No. 589, 2014 WL 1512024 (Apr. 18, 2014), *petition for review granted*, Advisers Act Release No. 3841, 2014 WL 2418767 (May 30, 2014).

² *See United States v. Newman*, No. 1:12-cr-00121 (S.D.N.Y. Dec. 17, 2012); *SEC v. Adondakis*, No. 1:12-cv-00409 (S.D.N.Y. Oct. 4, 2013). Advisers Act Section 203(f) permitted sanctions to be imposed against Chiasson based on either his conviction or injunction. 15 U.S.C. § 80b-3(f).

³ *United States v. Newman*, 773 F.3d 438, 455 (2d Cir. 2014), *petition for rehearing and rehearing en banc denied*, Nos. 13-1837 & 1917 (2d Cir. Apr. 3, 2015). The Second Circuit issued its mandate on April 13, 2015.

⁴ *SEC v. Adondakis*, No. 1:12-cv-00409 (S.D.N.Y. Dec. 23, 2014).

Chiasson now requests that we convert his petition for review into a motion to dismiss in light of the vacated criminal and civil judgments.⁵ He supports his request by asserting that "the underlying factual predicates that formed the basis for the . . . decision to bar [him] no longer exist." Chiasson also represents that the Division of Enforcement does not oppose his request. Given the subsequent judicial developments, dismissal of the proceeding is appropriate.⁶

Accordingly, it is ORDERED that the administrative proceeding against Anthony Chiasson is dismissed without prejudice.⁷

By the Commission.

Brent J. Fields
Secretary

⁵ We previously have converted petitions for review into motions to dismiss in similar circumstances, *see, e.g., Richard L. Goble*, Exchange Act Release No. 68651, 2013 WL 150557, at *1 (Jan. 14, 2013), and do so again here.

⁶ *See, e.g., Jilaine H. Bauer, Esq.*, Exchange Act Release No. 70631, 2013 WL 5533144, at *2 (Oct. 8, 2013) (dismissing Rule 102(e) disciplinary proceeding after court of appeals reversed predicate district court judgment); *Goble*, 2013 WL 150557, at *2 (dismissing follow-on proceeding after court vacated predicate injunction); *Evelyn Litwok*, Advisers Act Release No. 3438, 2012 WL 3027914, at *1 (July 25, 2012) (dismissing follow-on proceeding after court reversed predicate convictions).

⁷ Although our Rules of Practice "do not distinguish between dismissing proceedings with or without prejudice," *Goble*, 2013 WL 150557, at*2 (citing *John M. Lucarelli*, Exchange Act Release No. 56075, 2007 WL 2031556, at *2 (July 13, 2007)), we have on occasion exercised our discretion to dismiss proceedings without prejudice where, as here, both parties have agreed to this disposition, and neither party claims any prejudice. *See, e.g., William J. Bosso*, Exchange Act Release No. 43779, 2000 WL 1879160, at *1 (Dec. 28, 2000) (order dismissing proceeding without prejudice); *City of Anaheim*, Securities Act Release No. 7794, 2000 WL 98186, at *1 (Jan. 31, 2000) (same).

Chiasson requested oral argument, but, "because the issues here have been thoroughly briefed, and given the resolution of this matter, we believe there is no prejudice" to Chiasson in denying his request. *D.E. Wine Invs., Inc.*, Exchange Act Release No. 43929, 2001 WL 98581, at *4 n.25 (Feb. 6, 2001). Chiasson also requested that we reverse the law judge's decision, but that decision "ceased to have any force or effect" once we granted his petition for review. *Steven Altman, Esq.*, Exchange Act Release No. 63665, 2011 WL 52087, at *2 (Jan. 6, 2011).