UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4454 / July 14, 2016

INVESTMENT COMPANY ACT OF 1940
Release No. 32177 / July 14, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-16037

In the Matter of

EDGAR R. PAGE and
PAGEONE FINANCIAL INC.

ORDER DENYING MOTION FOR RECONSIDERATION

On May 27, 2016, we issued an opinion and order revoking PageOne Financial Inc.'s ("PageOne's") registration; imposing an industry bar on Edgar R. Page, with the right to reapply in five years; and ordering Page and PageOne ("Respondents") to pay $2,751,345 in disgorgement, plus prejudgment interest, jointly and severally.[1]

On June 7, 2016, Respondents moved for a stay of the sanctions and for reconsideration. We denied the motion for a stay because the pending request for reconsideration rendered our opinion nonfinal.[2] We deny the motion for reconsideration because it reiterates arguments that Respondents raised—or could have raised—in their briefing on the merits.

[1] *Edgar R. Page*, Advisers Act Release No. 4400, 2016 WL 3030845 (May 27, 2016). This sanctions determination was made following the Commission's finding in a settled order that PageOne and Page had willfully violated Advisers Act Sections 206(1), 206(2), and 207, and that Page had willfully aided and abetted and caused PageOne's violations, when they failed to disclose to their advisory clients a conflict of interest with the manager of funds they had recommended. *Edgar R. Page*, Advisers Act Release No. 4044, 2015 WL 1022503 (Mar. 10, 2015). As part of the settlement, the Commission ordered Respondents to cease and desist from committing or causing violations of those provisions of the Advisers Act; censured them; and ordered additional proceedings to determine what sanctions were in the public interest. *Id.*

[2] *See Edgar R. Page*, Advisers Act Release No. 4416, 2016 WL 3181661 (June 8, 2016).

Reconsideration is an "extraordinary" remedy,[3] and such motions are granted only in exceptional cases.[4] It is "designed to correct manifest errors of law or fact or permit the presentation of newly discovered evidence."[5] A party "may not use a motion for reconsideration to reiterate arguments previously made or to cite authority previously available, nor may they advance arguments that they could have made previously but chose not to make."[6]

Respondents contend that (1) in revoking PageOne's registration, we acted inconsistently with the sanctions imposed in four cases Respondents had previously cited; (2) we misinterpreted Page's testimony about the "dangers" of disclosing the conflict of interest, which he says related to his purported liability under a non-disclosure agreement rather than a motivation to recruit additional investors; (3) we placed "undue reliance" on Page's "unrelated" disciplinary history; (4) we did not take into account the leveraged nature of Page's luxury spending in rejecting his claimed inability to pay disgorgement; and (5) we misinterpreted their argument that payments from the fund manager were meant to "compensat[e] the Respondents for their lost management fees."

Respondents raised variants of each of these five arguments in their briefing and at oral argument.[7] We considered each argument, addressed them in our opinion, and will not readdress them here. Respondents have identified no manifest errors of law or fact in our decision.

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[3] *Johnny Clifton*, Exchange Act Release No. 70639, 2013 WL 5553865, at *1 (Oct. 9, 2013).

[4] *Eric J. Brown*, Exchange Act Release No. 66752, 2012 WL 1143573, at *1 (Apr. 5, 2012) (citing *Feeley & Willcox Asset Management Corp.*, Exchange Act Release No. 48607, 2003 WL 22316308, at *1 (Oct. 9, 2003)).

[5] *Daniel Imperato*, Exchange Act Release No. 74886, 2015 WL 2088435, at *1 (May 6, 2015) (quoting *Steven Altman, Esq.*, Exchange Act Release No. 63665, 2011 WL 52087, at *1 (Jan. 6, 2011)).

[6] *FCS Securities*, Exchange Act Release No. 65267, 2011 WL 4448864, at *1 (Sept. 6, 2011); *see also Imperato*, 2015 WL 2088435, at *1.

[7] For example, PageOne argued that we should not revoke its registration in view of four cases in which we imposed lesser sanctions. *See* Opening Br. 4-7; Reply Br. 3-7. We rejected that argument in our opinion because three of the cases were not precedential and the fourth involved a smaller amount of ill-gotten gains. *See Page*, 2016 WL 3030845, at *10. PageOne contends in the motion for reconsideration that we did not "adequately consider" the cases and that our reasoning was "fatally flawed." *See* Reconsideration Motion 5-7. Neither contention is an appropriate basis for reconsideration. *See FCS Securities*, 2011 WL 4448864, at *1 (party may not use motion for reconsideration to "reiterate arguments previously made").

In addition, in the briefs on appeal, Page offered two interpretations of his testimony about the "danger" of disclosing the conflict of interest. He emphasized one in his opening brief, and the other in his reply brief. *See* Opening Br. 10; Reply Br. 8. He now reiterates the latter of

Respondents make two additional requests in their motion. First, Respondents ask that they be permitted to submit "updated financial disclosure forms" that they say would show a "material worsening of their financial condition and inability to pay" since they filed their original forms with the law judge in March 2015. A motion for reconsideration is an appropriate vehicle for submission of new evidence only where "the movant could not have known about or adduced [the evidence] before entry of the order subject to the motion for reconsideration."[8] Respondents have not made such a showing, or even attempted to explain why they did not submit these forms earlier;[9] we therefore reject Respondents' request for leave to submit them.

Second, Respondents ask that the effective date of any future Commission orders be delayed for at least thirty days after issuance to ensure "orderly business operations." But the Commission issued its opinion in this matter on May 27, 2016. Respondents have also been aware since June 8, 2016—when we denied a stay pending reconsideration[10]—that an order on their motion would be forthcoming, and that we might deny the motion. This period has been more than sufficient for Respondents to prepare to wind down PageOne's business operations.

Accordingly, IT IS ORDERED that Edgar R. Page and PageOne Financial Inc.'s motion for reconsideration is denied.

By the Commission.

Brent J. Fields
Secretary

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these. *See* Reconsideration Motion 7-8. Our opinion's contrary interpretation of this testimony, however, rejected both of the interpretations that Page previously offered. *See Page*, 2016 WL 3030845, at *5 & 13 n.75; *cf. Bhatnagar v. Surrendra Overseas Ltd.*, 52 F.3d 1220, 1231 (3d Cir. 1995) (party may not use motion for reconsideration to "simply change[] theories and [try] again," thus offering a "second bite at the apple").

[8] *Brown*, 2012 WL 1143573, at *1 (quoting *Perpetual Sec., Inc.*, Exchange Act Release No. 56962, 2007 WL 4372765, at *1 (Dec. 13, 2007)).

[9] Respondents understood the significance and necessity of bringing new evidence to our attention. On March 14, 2016, they filed a "Notice of Supplemental Developments" consisting of certain state court pleadings. We took official notice of the pleadings even though Respondents did not specifically ask us for leave to adduce them as additional evidence under our Rule of Practice 452. 17 C.F.R. § 201.452; *see Page*, 2016 WL 3030845, at *12 n.70.

[10] *See Page*, 2016 WL 3181661, at *1.