

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934  
Release No. 61555/February 22, 2010

ADMINISTRATIVE PROCEEDING  
File No. 3-13685

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In the Matter of	:	
	:	ORDER MAKING FINDINGS AND
AURA FINANCIAL SERVICES, INC.	:	IMPOSING SANCTION BY DEFAULT
	:	

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**SUMMARY**

This Order revokes the broker-dealer registration of Aura Financial Services, Inc. (Aura).

**I. BACKGROUND**

The Securities and Exchange Commission (Commission) instituted this proceeding by issuing an Order Instituting Proceedings (OIP) pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act) on November 16, 2009.<sup>1</sup> The OIP alleges that Aura was enjoined from violations of the antifraud provisions of the federal securities laws. Aura was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(iii) on January 25, 2010.<sup>2</sup> Its Answer to the OIP was due within twenty days of service of the OIP on it. See OIP at 2; 17 C.F.R. § 201.220(b). Aura failed to file an Answer or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Accordingly, it is in default, and the undersigned finds that the allegations in the OIP are true. See OIP at 2; 17 C.F.R. §§ 201.155(a), .220(f).

**II. FINDINGS OF FACT**

Aura is an Alabama corporation headquartered in Birmingham, Alabama. Since April 25, 1997, Aura has been a broker-dealer registered with the Commission.

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<sup>1</sup> Aura was served with the OIP by USPS Certified Mail attempted delivery at “the most recent business address shown on [its] registration form.” 17 C.F.R. § 201.141(a)(2)(iii).

<sup>2</sup> Subsequently, Aura filed a Form BDW with the Commission, requesting withdrawal of its broker-dealer registration. Since the Form BDW was filed “subsequent to the date of issuance of [the OIP in the instant proceeding],” it has not become effective. See Exchange Act Rule 15b6-1(b). Similarly, a Form BDW does not become effective if an OIP is issued within sixty days of the Form BDW’s filing. Id.

Aura is permanently enjoined from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. SEC v. Aura Fin. Servs., Inc., No. 09-CV-21592 (S.D. Fla. Oct. 8, 2009).

The wrongdoing underlying Aura's injunction took place from October 2005 through at least April 2009. Aura and six of its registered representatives used fraudulent sales practices to open and fund Aura brokerage accounts. Aura and the registered representatives then churned these accounts by causing numerous trades to be executed which enriched Aura and the registered representatives through brokerage commissions and, in some cases, mark-ups, while depleting the customers' balances through trading losses and excessive transaction costs.

### **III. CONCLUSIONS OF LAW**

Aura has been permanently enjoined "from engaging in or continuing any conduct or practice in connection . . . with the purchase or sale of any security" within the meaning of Section 15(b)(4)(C).

### **IV. SANCTION**

The registration of Aura as a broker-dealer will be revoked. This sanction will serve the public interest and the protection of investors, pursuant to Section 15(b) of the Exchange Act. It accords with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). See also Marshall E. Melton, 56 S.E.C. 695, 710 (2003) (holding an antifraud injunction indicates revocation of registration is appropriate). Aura's unlawful conduct was recurring and egregious, extending over a period of more than three years. There are no mitigating circumstances.

### **V. ORDER**

IT IS ORDERED that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, the registration of Aura Financial Services, Inc., as a broker-dealer is revoked.

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Carol Fox Foelak  
Administrative Law Judge