

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 62548 / July 22, 2010

INVESTMENT ADVISERS ACT OF 1940
Release No. 3055 / July 22, 2010

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3155 / July 22, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13973

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In the Matter of	:	ORDER INSTITUTING
	:	ADMINISTRATIVE PROCEEDINGS
	:	PURSUANT TO RULE 102(e) OF THE
ANDREW D. PETROFSKY, CPA,	:	COMMISSION'S RULES OF PRACTICE
	:	AND SECTION 203(f) OF THE INVESTMENT
Respondent.	:	ADVISERS ACT OF 1940, MAKING
	:	FINDINGS, AND IMPOSING REMEDIAL
	:	SANCTIONS
	:	

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Rule 102(e)(2) of the Commission’s Rules of Practice [17 C.F.R. § 200.102(e)(2)] and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Andrew Petrofsky (“Respondent” or “Petrofsky”).¹

¹ Rule 102(e)(2) provides in pertinent part: “Any ... person who has been convicted of a felony or a misdemeanor involving moral turpitude shall be forthwith suspended from appearing or practicing before the Commission.”

II.

In anticipation of the institution of these proceedings, 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, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.5 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

III.

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

1. Petrofsky is a certified public accountant in Alabama.
2. From November 2003 until August 2008, Petrofsky was an investment adviser representative employed by Professional Asset Strategies, LLC ("PAS"), an investment adviser registered with the Commission and based in Birmingham, Alabama. Petrofsky, 31 years old, is a resident of Birmingham, Alabama.
3. On December 3, 2009, Petrofsky pled guilty to one count of wire fraud and one count of forged security before the United States District Court for the Northern District of Alabama in *United States v. Andrew D. Petrofsky*, Crim. Information No. 2:09-cr-00435-LSC-HGD.
4. The counts of the criminal information to which Petrofsky pled guilty alleged, inter alia, that Petrofsky used his position at PAS to steal money from client accounts he managed; that Petrofsky used unauthorized wire transfers and forged checks to steal money from his clients; and that Petrofsky attempted to conceal his theft by redirecting client account statements to his home, altering the statements to disguise withdrawals, and sending the altered statements to clients.
5. On April 19, 2010, a judgment of conviction was entered against Petrofsky in *United States v. Andrew D. Petrofsky*, No. 2:09-cr-00435-LSC-HGD, in the United States District Court for the Northern District of Alabama, finding him guilty of one count of wire fraud and one count of forged security. As a result of this conviction, Petrofsky was sentenced to 44 months of imprisonment in a federal penitentiary, with three years of supervised release to follow, and ordered to pay restitution in the amount of \$876,651.

IV.

In view of the foregoing, the Commission finds that Petrofsky has been convicted of a felony within the meaning of Rule 102(e)(2) of the Commission's Rules of Practice and deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Petrofsky's Offer.

Accordingly, it is hereby ORDERED:

A. that Petrofsky is forthwith suspended from appearing or practicing before the Commission pursuant to Rule 102(e)(2) of the Commission's Rules of Practice.

B. Pursuant to Section 203(f) of the Advisers Act, that Respondent Petrofsky be, and hereby is barred from association with any investment adviser.

C. 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.

By the Commission.

Elizabeth M. Murphy
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order") on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
Chief Administrative Law Judge
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