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 Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against Robert M. Jaffe ("Respondent" or "Jaffe").

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.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 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. Jaffe was a vice president, owner and registered representative of Cohmad Securities Corp. (“Cohmad”), a broker-dealer registered with the Commission from April 1985 until December 2009; he was also an unregistered representative of Bernard L. Madoff Investment Securities LLC (“BMIS”), an entity registered with the Commission as a broker-dealer from January 1960 to the present and as an investment adviser from September 2006 until the present. Jaffe, 66 years old, is a resident of Palm Beach, Florida.

2. On November 2, 2010, a final judgment was entered by consent against Jaffe, permanently enjoining him from violating, or aiding and abetting violations of, Section 17(a) of the Securities Act of 1933 (“Securities Act”); Sections 10(b), 15(b)(7), and 17(a) of the Exchange Act and Rules 10b-5, 15b7-1, and 17a-3 thereunder; and Sections 206(1), 206(2), and 206(4) of the Advisers Act and Rule 206(4)-3 thereunder, in the civil action entitled Securities and Exchange Commission v. Cohmad Securities Corp. et al., Civil Action Number 09 Civ. 5680 (LLS), in the United States District Court for the Southern District of New York.

3. The Commission’s amended complaint alleges that, in connection with the purported purchase and sale of securities by Bernard L. Madoff (“Madoff”) and BMIS, Jaffe, acting as a broker, introduced scores of investors who opened at least 160 accounts with BMIS – which brought more than $1 billion over more than 15 years into Madoff’s fraudulent scheme – while recklessly disregarding material facts and/or recklessly failing to disclose to investors material facts that would have raised serious questions about the propriety of the Madoff/BMIS investment. Among other things, the amended complaint also alleges that Jaffe received tens of millions of dollars in transaction-based compensation from BMIS in the form of proceeds from fictitious securities transactions and that Jaffe recklessly concealed his relationship with BMIS, which helped Madoff to avoid scrutiny of BMIS’s advisory business.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Jaffe’s Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Jaffe be, and hereby is barred from association with any broker, dealer, or investment adviser;

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.

For the Commission, by its Secretary, pursuant to delegated authority.

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 Section 15(b) of the Securities Exchange Act of 1934 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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