

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 69937 / July 3, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15369

In the Matter of

TERRY V. KOONTZ,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
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 Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Terry V. Koontz (“Koontz” or “Respondent”).

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, Respondent consents to the Commission’s jurisdiction over him and the subject matter of these proceedings and to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, 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. From December 2010 to November 2011, Koontz purported to be affiliated with a well-known asset management firm in order to lure investors into an unregistered offering of

securities in the form of a fictitious gold futures promissory notes program. Koontz was not registered as a broker-dealer or associated with a registered broker-dealer during the relevant time. Koontz, 56 years old, is currently imprisoned in Yazoo City, Mississippi.

2. On November 5, 2012, Koontz pled guilty to one count of conspiracy to commit wire fraud and mail fraud in violation of Title 18 United States Code, Section 1349 before the United States District Court for the Middle District of Florida, in United States v. Terry Vernon Koontz, Case No. 8:12-cr-00465-JDW-TGW. On March 4, 2013, a judgment in the criminal case was entered against Koontz. He was sentenced to a prison term of 115 months followed by three years of supervised release and ordered to make restitution in the amount of \$3,771,701.88.

3. The count of the criminal information to which Koontz pled guilty alleged, inter alia, that Koontz was the primary architect of a scheme to defraud in which Koontz and co-conspirators persuaded victim-investors to transmit their funds and participate in a purported gold futures investment program. Koontz created false and fraudulent documents, including promissory notes and assignments of collateral, which supposedly evidenced and guaranteed, respectively, the victim-investors' participation in the purported gold futures investment program. In preparing these documents, Koontz used the names of various existing foreign and/or domestic entities as well as forged signatures of officials of same, without such entities' and individuals' knowledge or consent. Koontz and co-conspirators diverted a substantial amount of the victim-investors' funds for their own personal enrichment by transferring and causing the transfer of said funds to accounts controlled by them and/or family members or friends, and they used victim-investors' funds to purchase motor vehicles, real property, home furnishings, jewelry, and other goods and services.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Koontz be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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