

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 71260 / January 8, 2014

INVESTMENT ADVISERS ACT OF 1940
Release No. 3752 / January 8, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15672

In the Matter of

SANDEEP AGGARWAL,

Respondent.

**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**

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 Sandeep Aggarwal (“Aggarwal” 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 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. Aggarwal, age 40, resides in India. From April 2008 until April 2010, he was the senior internet research analyst at Collins Stewart LLC, a registered broker dealer and registered investment adviser that was subsequently acquired by Canaccord Financial, and is now known as Canaccord Genuity Inc. During his employment at Collins Stewart, Aggarwal held Series 7, 63, 86 and 87 licenses.
2. On July 30, 2013, the Commission filed an amended complaint in a previously filed civil action naming Aggarwal as a defendant, SEC v. Richard Lee and Sandeep Aggarwal, Civil Action No. 13-CV-5185 (S.D.N.Y.). On December 6, 2013, the Court entered an order permanently enjoining Aggarwal, by consent, from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.
3. The Commission’s amended complaint alleges that in July 2009 Aggarwal learned confidential details about the progress of negotiations concerning the formation of a partnership between two technology companies from an individual who worked at one of the companies. Aggarwal tipped the information to a portfolio manager at a hedge fund advisory firm, who subsequently traded securities based on the tip. Aggarwal knew, recklessly disregarded, or should have known, that the material non-public information he received and tipped was disclosed or misappropriated in breach of a fiduciary duty, or similar relationship of trust and confidence.
4. On November 8, 2013, Aggarwal pleaded guilty to one count of securities fraud and one count of conspiracy to commit securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff and 18 U.S.C. § 371 before the United States District Court for the Southern District of New York, in United States v. Sandeep Aggarwal, 13-CR-884.
5. The counts of the criminal information to which Aggarwal pleaded guilty alleged, inter alia, that Aggarwal, and others, conspired and agreed together to commit securities fraud.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Aggarwal’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 Aggarwal 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; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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