

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 71967 / April 17, 2014

INVESTMENT ADVISERS ACT OF 1940
Release No. 3819 / April 17, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15548

In the Matter of

PHILIP MARK CAIN,

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940**

I.

On October 1, 2013, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings 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 Philip Mark Cain (“Respondent” or “Cain”).

II.

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 Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

III.

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

1. From August 2006 through August 2010, Respondent was a registered representative with Commonwealth Financial Network, a dually registered investment adviser and broker-dealer. From September 2010 to March 2011, Respondent was also a registered

representative associated with H. Beck, Inc., a dually registered investment adviser and broker-dealer. Respondent, 50 years old, is a resident of Tucson, Arizona.

2. On December 14, 2011, Cain pleaded guilty to one count each of mail fraud in violation of 18 U.S.C. Section 1341, engaging in an illegal monetary transaction greater than \$10,000 in violation of 18 U.S.C. Section 1957, and structuring transactions to evade currency reporting requirements in violation of 31 U.S.C. Sections 5324(a)(3) and (d)(2) before the United States District Court for the District of Arizona. *U.S. v. Philip Mark Cain*, 4:11-CR-1105-JGZ. On March 15, 2012, a Judgment in a Criminal Case was entered against Cain. He was sentenced to 51 months in prison followed by five years of supervised release and ordered to pay \$1,272,943.89 in restitution.

3. The counts of the indictment to which Cain pleaded guilty alleged, among other things, that between June 2008 and February 2011, Cain participated in a scheme and artifice to obtain money or property by means of materially false or fraudulent pretenses, representations or promises. More specifically, the indictment alleged that Cain defrauded seven investors out of approximately \$1.4 million by purporting to purchase structured notes on their behalf. Cain did not at any time invest any of the investors' funds in structured notes and instead used their funds to purchase and repair classic cars.

IV.

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

Jill M. Peterson
Assistant Secretary