

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4032 / February 25, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16405

In the Matter of

CAROLYN C. HOWARD,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Carolyn C. Howard (“Respondent” or “Howard”).

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 her and the subject matter of these proceedings and to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Advisers Act, 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. Howard was a co-founder of Howard Interests, a New Hampshire unincorporated financial services firm, acting as an unregistered investment adviser. From 2002 to early 2009, Howard, together with Charles Howard, III, operated Howard Interests as an investment adviser to clients for compensation.

2. On August 20, 2014, Howard, in the case *State of New Hampshire v. Carolyn C. Howard* (No. 213-2014-CR-197), pled guilty to one count of being an unlicensed investment adviser in violation of New Hampshire Revised Statutes Annotated 421-B:6 (a misdemeanor), before the Superior Court of the State of New Hampshire. In a plea agreement, Howard agreed to a sentence of 12 months with that entire sentence deferred for a period of one year.

3. On August 20, 2014, the State of New Hampshire Bureau of Securities Regulation entered a consent order against Howard. The order alleged, among other things, that Howard assisted in the founding and management of an unlicensed investment adviser under the name Howard Interests. Howard, according to the state's order, also acted as an investment adviser representative in that she dealt with Howard Interests' clients and received payments from clients that, while payable to Howard Interests, were deposited to bank accounts solely in her name. The state's order contained a finding that Howard, in operating Howard Interests, "knew or in the exercise of reasonable care would know" that Howard Interests was operating as an unlicensed investment adviser. The New Hampshire order permanently barred Howard from any securities licensure in any capacity in the State of New Hampshire.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Howard 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.

Brent J. Fields
Secretary