

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**

**Release No. 77626 / April 14, 2016**

**ADMINISTRATIVE PROCEEDING**

**File No. 3-17147**

**In the Matter of**

**DEVON C. MCLEAN,**

**Respondent.**

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

**I.**

On March 1, 2016, the Securities and Exchange Commission (“Commission”) previously instituted public administrative proceedings against Devon C. McLean (“McLean” or “Respondent”) pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”). The Commission now deems it appropriate and in the public interest to enter this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Order”).

**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 admits the Commission’s jurisdiction over him and the subject matter of these proceedings and admits the findings in Sections III.2 below, and consents to the entry of this Order, as set forth below.

**III.**

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

1. From July 2005 through May 2009, Respondent was an owner and the chief financial officer of Paramount Group LLC (“Paramount”), a purported investment vehicle that Respondent and Janice D. Rey (“Rey”) set up to operate as a Ponzi investment scheme in St. Thomas, U.S. Virgin Islands. During the time in which Respondent engaged in the conduct underlying the indictment described below, Respondent was a registered representative associated with three different broker-dealers registered with the Commission. Respondent, 46 years old, was a resident of Homestead, Florida and is currently incarcerated.

2. On March 5, 2013, McLean pleaded guilty to one count of conspiracy to commit wire fraud in violation of Title 18, United States Code, Sections 1343 and 1349, before the District Court of the Virgin Islands in *United States v. Devon McLean*, 3:11-CR-00038. On July 11, 2013, a judgment in the criminal case was entered against McLean. He was sentenced to a prison term of 70 months followed by three years of supervised release, and the court ordered him to make restitution in the amount of \$3,006,260 and entered a forfeiture money judgment against him in the amount of \$5.5 million.

3. The count of the second superseding indictment to which McLean pleaded guilty alleged, among other things, that from July 2005 through May 2009, Respondent and Rey conspired to run a Ponzi investment scheme. Respondent and Rey defrauded potential investors in Paramount by falsely claiming that Paramount was part of Haliburton Co.; that investments with Paramount were safe; that Paramount was trading in currencies, commodities, and rubies; that investors would double their money in less than a year; that invested money would be loaned to companies that would pay high interest rates to Paramount; that Paramount was approved by the Federal Reserve; and that many prominent individuals were associated with Paramount, such as then Vice President Dick Cheney. McLean and Rey did not use investors' funds in the manner represented, but used the money instead to pay promised returns to earlier investors and for the personal use and benefit of McLean and Rey.

#### IV.

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

Accordingly, it is ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent McLean be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent McLean be, and hereby is 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.

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

Brent J. Fields  
Secretary