

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77753 / May 2, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17146

<p>In the Matter of</p> <p style="text-align:center">JANICE D. REY,</p> <p>Respondent.</p>

**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 Janice D. Rey (“Rey” 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 operating officer of Paramount Group LLC (“Paramount”), a purported investment vehicle that Respondent and Devon C. McLean (“McLean”) set up to operate as a Ponzi investment scheme in St. Thomas, U.S. Virgin Islands. During the time in which she engaged in the conduct underlying the superseding indictment described below, Rey acted as an unregistered broker-dealer. Respondent, 53 years old, was a resident of St. Thomas, U.S. Virgin Islands and is currently incarcerated.

2. On April 4, 2013, a federal jury in the District Court of the Virgin Islands convicted Rey of all counts of a second superseding indictment, namely, federal charges consisting of one count of conspiracy, 8 counts of wire fraud, and 43 counts of money laundering, in violation of Title 18, United States Code, Sections 1349, 1343, 1956, and 1957, and 4 counts of tax evasion under Virgin Islands law, in violation of Title 33, Virgin Islands Code, Section 1521. *United States v. Janice Dorette Rey and Devon McLean*, Crim. No. 3:11-CR-00038. On October 27, 2015, an amended judgment in the criminal case was entered against Rey. She was sentenced to a prison term of 125 months followed by three years of supervised release, and the court ordered her to make restitution in the amount of \$3,006,260.

3. The second superseding indictment alleged, among other things, that from July 2005 through May 2009, Rey conspired with McLean to run a Ponzi investment scheme. Respondent and McLean defrauded potential investors in Paramount by falsely claiming that by pooling investors' money, Rey was able to make highly profitable securities available to potential investors; 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. Rey opened a store front location called "Rey Financial" to attract investors to Paramount, where she regularly and routinely met with investors. Rey also managed a group of sales agents for Paramount. The indictment further alleged that Rey and McLean used interstate wire communications to execute the foregoing scheme to defraud and laundered the proceeds of the fraud, and that Rey evaded taxes owing to the United States Virgin Islands.

IV.

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

Accordingly, it is ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Rey 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 Rey 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