

ADMINISTRATIVE PROCEEDING
File No. 3-17172

Development-Stage Airline Company Executive Settles SEC Charges

August 15, 2016 – The Securities and Exchange Commission today announced that a New York-based airline company executive has agreed to settle charges that he acted as an unregistered broker for sales of stock issued by his employer.

An SEC investigation found that Barry B. Clare, who resides in Bayside, New York and is the vice president of finance at Baltia Air Lines, Inc., acted as an unregistered broker for sales of Baltia's common stock to investors. Although Baltia has existed since 1989—ostensibly for the purpose of flying commercial flights from New York City to St. Petersburg, Russia—it has never operated a commercial flight or otherwise generated any revenue. To fund its operations, Baltia has sold its stock to investors. Between March 2011 and March 2015, when Baltia raised more than \$26 million through such stock sales, Clare solicited potential investors, recommended the investments in Baltia, negotiated and closed stock sales, and received commissions for his work. On March 15, 2016, the SEC charged Clare with willfully violating Section 15(a) of the Securities Exchange Act of 1934 as a result of this conduct.

Without admitting or denying the SEC's findings, Clare agreed to pay \$1,057,607.33 in disgorgement and interest plus a \$15,000.00 penalty for a total of \$1,072,607.33. He is suspended from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization for a period of twelve months. He is also prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter for a period of twelve months.

The SEC's investigation was conducted by Osman Nawaz, Lee Greenwood, Kathy Murdocco, and Celeste Chase in the New York Regional Office. The litigation was led by Preethi Krishnamurthy and Mr. Greenwood, with the assistance of Debbie Chan. The case was supervised by Sanjay Wadhwa. The SEC appreciates the assistance of the Public Company Accounting Oversight Board.

See also: [Order Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15\(b\) and 21C of the Securities Exchange Act of 1934, and Section 9\(b\) of the Investment Company Act of 1940](#)