

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4422 / June 14, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17289

In the Matter of

ALAN H. GOLD,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
203(f) OF THE INVESTMENT ADVISERS
ACT OF 1940 AND NOTICE OF HEARING**

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 Alan H. Gold (“Gold” or “Respondent”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Gold, age 61, is a resident of Wilmette, Illinois. Beginning in or around 2008 through June 2015, Gold, doing business as Alan Gold & Associates, provided advisory services to clients. Alan Gold & Associates was never registered with the Commission. From 1983 through 1989, Gold was a registered representative of five different brokerage firms that are or were registered with the Commission. In 1989, he became a registered representative of, and in 2002 an investment adviser representative of, a dually-registered broker-dealer and investment adviser. In September 2007, he was terminated by that firm for cause. In 1993, Gold was disciplined by the New York Stock Exchange for unauthorized options trading in a client’s account and for improperly

agreeing to share in a client's losses. In 2009, he was disciplined by FINRA for borrowing funds from a client.

B. ENTRY OF THE ORDER OF PROHIBITION AND RESPONDENT'S CRIMINAL CONVICTION

2. On June 17, 2015, the State of Illinois Secretary of State Securities Department issued a Temporary Order of Prohibition In the Matter of Alan Howard Gold and Alan Gold and Associates (the "Temporary Order"), No. 1500136, temporarily prohibiting Gold from rendering investment advice, from acting as a securities broker, and from acting as a securities sales person in or from the State of Illinois until further order of the State of Illinois Secretary of State.

3. The Temporary Order further provided that failure by Gold to request a hearing within 30 calendar days of its entry would constitute an admission of the facts alleged in the Temporary Order and would constitute a sufficient basis to make the Temporary Order final. Gold did not request a hearing concerning the Temporary Order within the 30 day time period.

4. On July 22, 2015, the State of Illinois Secretary of State Securities Department issued an Order of Prohibition In the Matter of Alan Howard Gold and Alan Gold and Associates, (the "Illinois Order"), prohibiting Gold from rendering investment advice and from offering or selling securities in or from the State of Illinois until further order of the State of Illinois Secretary of State.

5. The Illinois Order found that Gold failed to disclose to investors that he had been terminated from his position as a registered securities sales person. The Illinois Order also found that Gold defrauded investors by telling them he would purchase securities on their behalf through Alan Gold & Associates, when he instead spent their funds for his personal expenses and to cover his gambling expenses. The Illinois Order found that this conduct violated Sections 12.F, 12.G, and 12.I of the Illinois Securities Law of 1953 (the "Illinois Securities Law"), which prohibit fraudulent activities in connection with the purchase or sale of securities. The Illinois Order also found that Gold acted as a dealer, salesperson, and investment adviser as defined in the Illinois Securities Law, and that he failed to register as such in violation of Sections 12.C and 12.D of the Illinois Securities Law.

6. On January 29, 2016, Gold pleaded guilty to five counts of wire fraud in violation of Title 18 United States Code, Section 1343 before the United States District Court for the Northern District of Illinois, in *United States v. Alan Gold*, Case No. 15-CR-330. Gold is awaiting sentencing.

7. The indictment to which Gold pleaded guilty alleged, *inter alia*: that Gold provided investment advice to clients and also invested their funds; that Gold engaged in a scheme to defraud his clients by falsely stating he would invest their funds in stocks, real estate funds, futures contracts, and other investment products, when he instead used client funds for his personal benefit, including for gambling expenses; and that Gold prepared and provided clients false account statements that misrepresented client investments and the value of those investments.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields
Secretary