

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 79977 / February 6, 2017

INVESTMENT ADVISERS ACT OF 1940
Release No. 4640 / February 6, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-17528

In the Matter of

AARON NASH KAZINEC,

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940**

I.

On September 7, 2016, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings against Aaron Nash Kazinec (“Kazinec” or “Respondent”) pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers 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 and Section 203(f) of the Investment Advisers Act of 1940 (“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 paragraph 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 March 2007 through November 2012, Respondent was a registered representative associated with a broker-dealer and investment adviser dually registered with the Commission. Respondent, age 57, is currently incarcerated in Miami, Florida.

2. On July 15, 2014, Kazinec pled guilty to one count of wire fraud in violation of Title 18 United States Code, Section 1343 before the United States District Court for the Southern District of Florida, in United States v. Aaron Nash Kazinec, Crim. No. 14-60126-CR-Hurley. On November 17, 2014, a judgment in the criminal case was entered against Kazinec. He was sentenced to a prison term of 55 months followed by three years of supervised release, and on January 5, 2015, the judgment was amended to order Kazinec to make restitution in the amount of \$1,391,250.00.

3. In connection with that plea, Kazinec admitted that:

(a) From approximately March 2009 through December 2012, he implemented a scheme by which he informed certain customers that he could reinvest their annuities and other investments in certain purported alternative investments, and by doing so, obtain a higher rate of return;

(b) He gave the customers specific instructions on how to make their assets available for reinvestment. This included making elective cash withdrawals from their annuities, wiring the proceeds to their checking accounts, and providing blank checks (or those written payable to "cash") to Kazinec;

(c) In addition, he convinced one investor to liquidate certain investments and provide him with a check made payable to "cash," which Kazinec promised would be applied toward a universal life insurance policy; and

(d) Instead of investing the funds, he deposited the checks into his personal account and used most of the funds in connection with gambling activities at various casinos.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Kazinec 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; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Kazinec 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