

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 80601 / May 4, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-17966

In the Matter of

GRIFFITH THOMAS ELLIS,

Respondent.

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

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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Griffith Thomas Ellis (“Respondent”).

II.

In anticipation of the institution of these proceedings, 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

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

1. From at least January 2013 until the present, Griffith Thomas Ellis, also known as Thomas G. Ellis, was a Senior Partner of North Star Finance, LLC, a company incorporated in Maryland. He is not and has never been registered with the Commission in any capacity.

2. On October 3, 2016, a judgment was entered by consent against Ellis, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), Exchange Act Sections 10(b) and Rule 10b-5 thereunder, Exchange Act Section 15(a), and aiding and abetting violations of Securities Act Sections 5(a), 5(c), and 17(a); Exchange Act 10(b) and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. North Star Finance, et al., Civil Action Number 8:15-CV-1339, in the United States District Court for the District of Maryland.

3. The Commission's complaint alleged that, from at least January 2013 until the present, Thomas G. Ellis and Yasuo Oda, through their company, North Star Finance LLC ("North Star"), and other defendants engaged in a fraudulent "prime bank" scheme. The complaint alleged that, in furtherance of this scheme, they lured and assisted in luring investors into complicated-sounding transactions involving bank guarantees and other financial instruments that supposedly could be "monetized" to generate millions of dollars. The complaint alleged that they claimed and assisted one another in claiming that these extraordinary returns would then be available to investors in the form of project funding on highly favorable terms, but that these programs – through which defendants collected substantial monies – were fictitious. As also alleged in the complaint, no transactions in securities offered or sold by Ellis and Oda have been registered with the Commission, or are eligible for an exemption from registration with the Commission. Nor were Ellis and Oda registered as broker-dealers, as is required for offering securities to investors in these circumstances.

IV.

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

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

By the Commission.

Brent J. Fields
Secretary