UNited States of America
Before the
Securities and Exchange Commission

Securities Exchange act of 1934
Release No. 81459 / August 22, 2017

Administrative proceeding
File No. 3-18128

In the Matter of

Paul Elvidge,
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 Paul Elvidge ("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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, and 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. Elvidge was a registered representative, licensed by FINRA, with Seacoast Investor Services, Inc. from June 1988 through May 2012 and with Cape Securities Inc. from August 2011 through October 2012, both broker-dealers registered with the Commission. Respondent, 57 years old, resided in Port St. Lucie, Florida.

2. In January 2014, Elvidge pled guilty to 8 counts 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 (Fort Pierce). United States v. Paul Elvidge, Case No. 2:13-CR-14039-JEM-1 (S.D. Fla.). In November 2015, Elvidge was sentenced to a prison term of 62 months followed by 3 years of supervised release and was ordered to pay restitution in the amount of $1,289,878.00.

3. In connection with that plea, Elvidge admitted that between July 2010 through October 2012, he engaged in a scheme to defraud and used his position as a registered representative to transfer money from clients’ brokerage accounts, which he had access to, to his own personal bank and brokerage accounts. Elvidge admitted to preparing fraudulent authorization forms directing that funds be transferred and forged clients’ signature. He admitted that once the money was transferred to his accounts, he used the money to pay his personal and business expenses, and conducted day trades through a personal day trading account he had. Elvidge also admitted to taking through his fraud schemes a total of $1,113,594.00 from 10 clients.

IV.

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

Accordingly, it is hereby ORDERED:

1. Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent 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

2. Pursuant to Section 15(b)(6) of the Exchange Act, Respondent 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