

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 82015 / November 6, 2017

INVESTMENT ADVISERS ACT OF 1940
Release No. 4807 / November 6, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-18275

In the Matter of

DONALD H. ELLISON,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b)(6) OF
THE SECURITIES EXCHANGE ACT OF
1934 AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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)(6) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Donald H. Ellison (“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 paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, 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. Ellison was a co-founder and co-operator of now-defunct Aptus Planning, LLC ("Aptus"), a purported estate planning consulting firm, and through Aptus engaged in the business of advising individuals as to investment in securities with Paul-Ellis Investment Associates, LLC ("PEIA"). Ellison was associated with Southridge Investment Group, LLC, an SEC registered broker-dealer, during a period of the time he was recommending PEIA's advisory services to clients. Ellison, 66 years old, is a resident of Jacksonville, Florida.

2. On October 18, 2017 a final judgment was entered by consent against Ellison, permanently enjoining him from future violations of Sections 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act in the civil action entitled Securities and Exchange Commission v. Joseph Andrew Paul, et al., Civil Action Number 2:16-cv-01326-CMR, in the United States District Court for the Eastern District of Pennsylvania.

3. The Commission's complaint alleged that Ellison solicited investors to invest with PEIA, and in so doing, misrepresented and concealed the identity of the other Aptus principal, who was a convicted felon and disbarred attorney, in order to induce such investment. Between July 2011 and February 2013, fourteen individuals collectively wired approximately \$1,295,000 to a PEIA bank account. Only three investors received back any portion of the funds invested, and, in total, Aptus investors lost approximately \$1.1 million.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Ellison'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 Ellison 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 Ellison 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 disjointment 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