

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83078 / April 20, 2018

INVESTMENT ADVISERS ACT OF 1940
Release No. 4892 / April 20, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18444

In the Matter of

Mark P. French

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) 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 Mark P. French (“French” or “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.4 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b)

of the Exchange Act and Section 203(f) of the Advisors Act, 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. French, age 42, is a resident of Westerville, Ohio. From July 2005 until December 2012, French was associated with Investors Security Company, Inc., (“ISC”), which was registered with the Commission as a broker-dealer and investment adviser at the time of French’s criminal conduct.

2. On January 22, 2016, French pleaded guilty to one criminal count of wire fraud [18 U.S.C. § 1343] in a criminal action titled U.S. v. Mark Preston French, 2:15-cr-133 (S.D. Oh.) in connection with the August 2011 misappropriation of \$ 976,500 from a broker-dealer customer. French advised his customer to invest in precious metals but used her money to buy and sell gold and silver for his own benefit by trading through an account that he created and maintained for himself. The indictment filed against French on May 26, 2015, in relevant part, stated:

[FRENCH] did willfully and knowingly devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing and attempting to execute the scheme and artifice, did use and cause to be used interstate wire communications... .

3. The count to which French pleaded guilty alleged, among other things, that on or about August 29, 2011, French knowingly transferred \$976,500 from a joint savings account, which was in the names of French and his customer at a JP Morgan Chase Bank, NA in Ohio, to a bank account in the name of a bullion and precious metal dealer in California crediting the funds to French as an advance payment of a future order.

4. On July 3, 2017, a judgment in the criminal case was entered against French. He was sentenced to a term of three months imprisonment followed by three years of supervised release and was ordered to make restitution in the amount of approximately \$ 111,849.

IV.

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

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