

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83304 / May 23, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18499

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In the Matter of :

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ADAM S. TRACY, ESQ., :

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Respondent. :

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**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO
102(e) OF THE COMMISSION’S RULES OF
PRACTICE, 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 against Adam S. Tracy (“Respondent” or “Tracy”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

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

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any attorney . . . who has been by name (A) [p]ermanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder; or (B) [f]ound by any court of competent jurisdiction in an action brought by the Commission to which he or she is a party . . . to have violated (unless the violation was found not to have been willful) or aided and abetted the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

proceedings, and the findings contained in Section III below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, 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. Tracy, age 40, resides in Wheaton, Illinois. Tracy is a member of the Illinois State Bar. Tracy provided advice to individuals and entities regarding compliance with the federal securities laws. Tracy previously held Series 7 and 63 securities licenses, and, from November 2008 to January 2009, was a registered representative with a broker-dealer previously registered with the Commission.

2. On May 1, 2018, the Commission filed a complaint against Tracy in SEC v. Securities Compliance Group, Ltd. and Adam S. Tracy, (Civil Action No. 1:18-cv-01891-TCB), in the United States District Court for the Northern District of Georgia. On May 7, 2018, the court entered an order permanently enjoining Tracy by consent, from future violations of Section 17(a) of the Securities Act of 1933.

3. The Commission's complaint alleged, among other things, that Tracy aided and abetted the filing of Forms S-1 and S-1/A of a corporation (the "Entity") that contained material misrepresentations and omissions to investors. These material misrepresentations and omissions included, among others, identifying certain officers and directors in the Entity's Forms S-1 and S-1/A who, in fact, were neither officers nor directors of the Entity, and concealing the identity of the control person and promoter of the Entity.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice, effective immediately, that:

Tracy is suspended from appearing or practicing before the Commission as an attorney.

By the Commission.

Brent J. Fields
Secretary