

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 84310 / September 28, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18852

In the Matter of

JOHN MONTAGUE,

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 John Montague (“Montague” 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 paragraph 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. From January 1, 2004 through January 7, 2005, Montague was a registered representative associated with ING Financial Partners, Inc. (CRD#2882) which, at the time of his association, was a broker-dealer registered with the Commission. From February 14, 2005 through December 1, 2006, Montague was a registered representative associated with USAllianz Securities, Inc. (CRD#40875) which, at the time of his association, was a broker-dealer registered with the Commission; and from December 1, 2006 through July 17, 2009, Montague was a registered representative associated with Questar Capital Corporation (CRD#43100) which, at the time of his association, was a broker-dealer registered with the Commission. In January 2012, the Financial Industry Regulatory Authority barred Montague from association with any member firm. Montague, age 63, is currently imprisoned in FCI Fairton in New Jersey.

2. On July 21, 2014, Montague pleaded guilty to one count of wire fraud in violation of 18 U.S.C. § 1343 before the United States District Court for the District of New Jersey, in United States v. John Montague, Case No. 1:14-CR-00409-NLH (D.N.J.). By a judgment entered on November 3, 2015, Montague was sentenced in that proceeding to a prison term of 63 months followed by three years of supervised release and ordered to make restitution in the amount of \$788,716.46.

3. The wire fraud count to which Montague pleaded guilty alleged, among other things, that between March 2005 and October 2009, Montague willfully and knowingly devised and executed a scheme to defraud investors by fabricating an investment to extract money from his clients for his personal use. Montague used the wires in interstate commerce to send his client's investment money to his personal bank account.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Montague 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 is hereby barred from participating in any offering of 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