

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 89021 / June 5, 2020**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 5516 / June 5, 2020**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19823**

**In the Matter of**  
  
**Tamara Steele**  
  
**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 in the public interest that administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”), against Tamara Steele (“Steele” 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over her and the subject matter of these proceedings and the findings contained in paragraph III.2., which are admitted, Respondent consents to the entry of this 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 (“Advisers Act”), Making Findings, and Imposing Remedial Sanctions Order (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds<sup>1</sup> that:

1. Tamara Steele ("Steele") is a resident of Indianapolis, Indiana. She is the sole owner of Steele Financial, Inc. ("Steele Financial"), an investment adviser formerly registered with the state of Indiana and the Commission, and serves as its President, Chief Compliance Officer (CCO), Chief Financial Officer (CFO), Chief Operating Officer (COO), and Director. At all relevant times, Steele was an "investment adviser" within the meaning of Section 202(a)(11) of the Advisers Act [15 U.S.C. § 80b-2(a)(11)] because she was in the business of providing investment advice to clients about securities in exchange for compensation. Steele also owned, managed, and controlled Steele Financial. Steele has held Series 6, 63, and 65 licenses. From January 2009 until June 2017, Steele was also associated as a registered representative with a broker-dealer registered with the Commission.

2. On May 20, 2020, a final judgment ("Final Judgment") was entered by consent against Steele, permanently enjoining her from future violations of (i) Sections 206(1), (2), and (3) of the Advisers Act [15 U.S.C. § 80b-6(1)-(3)]; (ii) Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)], (iii) Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder [15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5] in the civil action entitled Securities and Exchange Commission v. Tamara Steele, et al., Civil Action No. 18-CV-2838 (SEB-DLP), in the United States District Court for the Southern District of Indiana ("Action").

3. The Commission's complaint against Steele, the allegations of which Steele neither admits nor denies, alleged that from approximately December 2012 through October 2016, Steele fraudulently recommended and sold to her advisory clients over \$13 million in extremely risky securities issued by a private company, Behavioral Recognition Systems, Inc. ("BRS"). The complaint also alleged that in violation of her fiduciary duties of loyalty and good faith, Steele failed to disclose to her clients that BRS had agreed to pay her commissions ranging from 8% to 18% of the funds raised for BRS. The complaint also alleged that Steele acted as a broker for BRS securities without registering with the Commission as such and illegally received hundreds of thousands of dollars in commissions for investments in BRS that she solicited from both advisory clients and other investors.

4. The Commission's complaint further alleged that, as part of the fraudulent scheme, Steele concealed her sales efforts on behalf of BRS from her own clients and from the broker-dealer with which Steele was associated at the time. The complaint also alleged that Steele (a) submitted false documents – including letters, invoices, and consulting agreements – to BRS claiming that her husband had provided the services, instead of her; (b) falsely attested to the broker-dealer that she had not engaged in any securities transactions "away from the firm"; and (c) secretly purchased BRS securities from a client using a nominee entity.

---

<sup>1</sup> The findings herein are made pursuant to Steele's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

#### IV.

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

Accordingly, it is hereby ORDERED that pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Steele be, and hereby is barred from association with any investment adviser, broker, dealer, 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 Steele 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.

Vanessa A. Countryman  
Secretary