

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 89314 / July 14, 2020

INVESTMENT ADVISERS ACT OF 1940
Release No. 5539 / July 14, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19876

In the Matter of

GEORGE L. TAYLOR,

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) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against George L. Taylor (“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 paragraphs III.2 below, 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, 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. George L. Taylor, is the CEO, founder, Chief Compliance Officer, and majority owner of Temenos Advisory, Inc. ("Temenos"), an investment adviser registered with the Commission. Taylor is also a registered representative of a broker-dealer that is not affiliated with Temenos. Taylor is registered as a General Securities Representative, a General Securities Principal, an Investment Company Products/Variable Contracts Principal, and a Uniform Securities Agent with the Financial Industry Regulatory Agency. Taylor, age 62, is a resident of Litchfield, Connecticut.

2. On June 30, 2020, a final judgment was entered by consent against Taylor, permanently enjoining him from future violations of Sections 206(1) and (2) of the Advisers Act and Section 15(a) of the Exchange Act, and aiding and abetting violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, in the civil action entitled Securities and Exchange Commission v. George L. Taylor, et al., Civil Action Number 3:18-cv-01180, in the United States District Court for the District of Connecticut.

3. The Commission's complaint alleged that Taylor and Temenos defrauded their advisory clients and prospective clients by steering the clients into unsuitable investments and by hiding commissions and other financial incentives that Temenos and Taylor were pocketing, on top of the advisory fees that the clients were paying for supposedly unbiased financial advice. Temenos and Taylor repeatedly downplayed or concealed risks, and overstated potential gains, associated with a series of illiquid private placements that they advised their clients and prospective clients to invest in. In so doing, Taylor and Temenos promoted the investments and pocketed commissions—a percentage of each client's investment—from the private placement companies, thereby illegally acting as unregistered broker-dealers.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Taylor'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 Taylor 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 Taylor 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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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