

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 91201 / February 24, 2021**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 5691 / February 24, 2021**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20233**

**In the Matter of**

**CRAIG A. ZABALA,**

**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 Craig A. Zabala (“Zabala” 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 paragraphs III.3 and III.5 below, and consents to the entry of this Order Instituting Administrative Proceedings, Pursuant to Section 15(b) of the Securities and Exchange Act of 1934 and Section 203(f) of the Investment Adviser 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. Zabala is the President, CEO and Chairman of Concorde Group Holdings Inc. ("Holdings") as well as Concorde Investment Managers, LLC, an investment adviser that was registered with the Commission from 2001 to 2002 and the state of New York from 2002 to 2016. Zabala, 68 years old, is a resident of New York, New York.
2. From May 1997 through April 2019, Zabala was also a registered representative associated with broker-dealers registered with the Commission.
3. On February 3, 2021, a final judgment was entered by consent against Zabala, permanently enjoining him from future violations of Sections 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Zabala, et al., Civil Action Number 20-CV-7880, in the United States District Court for the Southern District of New York.
4. The Commission's complaint alleged that, in connection with the sale of senior notes and stock issued by Holdings, Zabala misrepresented the amount of funds that were raised by Holdings and also misappropriated investor funds for his personal use.
5. On October 22, 2020, Zabala pleaded guilty to one count of conspiracy to commit securities fraud and wire fraud [15 U.S.C. § 78j(b), 15 U.S.C. § 78ff and 18 U.S.C. § 1343] in violation of 18 U.S.C. § 371, before the United States District Court for the Southern District of New York, in United States v. Zabala, 20-cr-564 (S.D.N.Y). The one count to which Zabala pleaded guilty alleged that Zabala, and others known and unknown, willfully and knowingly conspired with each other to commit conspiracy to commit securities fraud and wire fraud.

### IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest to impose the sanctions agreed to in Respondent Zabala'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 Zabala 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

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