

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
September 14, 2004

ADMINISTRATIVE PROCEEDING
File No. 3-11649

In the Matter of

MICHAEL YENINAS,

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
AND NOTICE OF HEARING
PURSUANT TO SECTION 15(b) OF
THE SECURITIES EXCHANGE
ACT OF 1934**

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 Michael Yeninas ("Yeninas" or "Respondent").

II.

After an investigation, the Division of Enforcement alleges that:

Respondent

A. Yeninas, a resident of Queens, New York, was formerly a registered representative ("RR") at a branch office of Castle Securities, Inc. ("Castle"), a defunct broker-dealer, in New York City. While employed at Castle, Yeninas sold Ardian Finance Group ("Ardian") securities to retail investors.

The Commission's Civil Action

B. The Commission's civil injunctive action charged Yeninas, and others, with violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. SEC v. Ardian Finance Group, et al., 02 Civ. 4366 (DGT) (E.D.N.Y.) ("Civil Action"). The Commission's complaint seeks permanent injunctions, disgorgement and prejudgment interest, and civil penalties against Yeninas and others.

C. The complaint in the Civil Action alleged, among other things, that from October 2001 through at least June 2002, Ardian raised approximately \$1.2 million from at least 70 investors in an unregistered offering of securities. Yeninas and others made material misrepresentations to induce individuals to invest in Ardian securities. Among other things, Yeninas told investors that (i) Ardian was planning an initial public offering ("IPO") on a date certain, and (ii) Ardian's stock would be sold in the IPO at a specific price (i.e. \$6-7). In fact, Ardian had not taken any steps to conduct an IPO.

D. On August 14, 2002, the United States District Court for the Eastern District of New York entered a Preliminary Injunction By Consent preliminarily enjoining Yeninas from violating Sections 5(a), 5(c) and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 pending final disposition of the Civil Action.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate and in the public interest against the Respondent pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 200 of the Commission's Rules of Practice, 17 C.F.R. § 201.200.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

IT IS FURTHER ORDERED that an Administrative Law Judge shall file an initial decision no later than 210 days from the date of the service of this Order, as provided by Rule 360(a)(2) of the Commission's Rules of Practice, 17 C.F.R. § 360(a)(2).

This Order shall be served forthwith upon Respondent personally or by certified mail.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Jonathan G. Katz
Secretary