

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 58148 / July 11, 2008

INVESTMENT ADVISERS ACT OF 1940
Release No. 2752 / July 11, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13089

In the Matter of

ALEX RABINOVICH,

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 Alex Rabinovich (“Rabinovich” 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 him and the subject matter of these proceedings, and the findings contained in Section III.B., 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:

A. From at least November 2003 through at least November 2007, Rabinovich, a self-described "private wealth manager," acted as an unregistered investment adviser and was associated with Rabinovich & Associates, L.P., an unregistered broker-dealer and unregistered investment company. At all relevant times, Rabinovich was the general partner of Rabinovich & Associates, and was responsible for the day-to-day operations and management of the firm. Rabinovich, aged 29, is a resident of Brooklyn, New York.

B. On March 14, 2008, Rabinovich pleaded guilty to one count of securities fraud in violation of Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2, before the United States District Court for the Southern District of New York, in United States v. Alex Rabinovich, Crim. Information No. 1:08-Cr-220 (DC).

C. The count of the criminal information to which Rabinovich pleaded guilty alleged that Rabinovich violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder by soliciting investments in Rabinovich & Associates by means of materially false and misleading statements. Specifically, the information alleged that from in or about December 2003, up to and including in or about November 2007, Rabinovich fraudulently obtained approximately \$2,312,822 from approximately 137 investors by falsely claiming, inter alia, that Rabinovich & Associates (a) maintained offices on Wall Street and was a member of the National Association of Securities Dealers, the New York Stock Exchange, and the Securities Investor Protection Corporation; (b) had a history of generating extraordinary profits for investors; and (c) would use investors' funds to trade in the stock market or make other similar investments.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Rabinovich'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 Rabinovich be, and hereby is barred from association with any broker, dealer, or investment adviser.

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.

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

Florence E. Harmon
Acting Secretary