

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2735 / May 12, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13042

In the Matter of

JOHN A. BALDO,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against John A. Baldo (“Baldo” 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.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. From at least July 2005 through at least January 2007, Baldo held himself out as the owner of Freedom Financial, an unregistered investment adviser in Andover, Massachusetts.

2. On January 24, 2008, Baldo pled guilty to one count of investment adviser fraud in violation of Title 15 of the United States Code, Sections 80b-6 and 80b-17; five counts of mail fraud in violation of Title 18 of the United States Code, Section 1341; and five counts of wire fraud in violation of Title 18 of the United States Code, Section 1343, before the United States District Court for the District of Massachusetts, in United States v. John A. Baldo, Criminal No. 07-10060-MLW.

3. The counts of the criminal indictment to which Baldo pled guilty alleged, inter alia, that being an investment adviser, Baldo did by use of means and instrumentalities of interstate commerce, willfully employ devices, schemes, and artifices to defraud; did willfully engage in transactions, practices, and courses of business which operated as a fraud or deceit upon clients and prospective clients; did willfully engage in acts, practices, and courses of business which were fraudulent, deceptive, and manipulative; did falsely represent that he would serve as an investment adviser exercising fiduciary responsibility with respect to client funds entrusted to him and thereafter misapply and misappropriate client funds; and did devise a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises concerning material matters, by use of the United States mails and means of interstate commerce.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Baldo be, and hereby is barred from association with any 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.

By the Commission.

Nancy M. Morris
Secretary