

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 57491 / March 13, 2008**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2721 / March 13, 2008**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12990**

**In the Matter of**

**JEFFREY A. RICHIE,**

**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 Jeffrey A. Richie (“Richie” 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 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. Jeffrey A. Richie was the president and chief executive officer of Fortress Financial Group, Inc. (“Fortress”), which during the relevant period owned Fortress Financial Securities Corp., a registered broker-dealer, and Fortress Investment Advisers, Inc., a registered investment adviser. Richie held Series 6, 7, 24, 63 and 65 licenses. Richie, 42 years old, is a resident of Temecula, California.

2. On February 25, 2008, a final judgment was entered by consent against Respondent permanently enjoining him from future 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 Rules 10b-5 and 10b-9 thereunder, in the civil action entitled *Securities and Exchange Commission v. Jeffrey A. Richie and Fortress Financial Group, Inc.*, Civil Action Number EDCV 06-63-VAP (JCRx), in the United States District Court for the Central District of California.

3. The Commission’s complaint alleged that, from March 2000 to April 2001, Richie sold unregistered securities in Fortress and in connection with the offering, made materially false and misleading statements and omitted to disclose material information to investors.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Richie’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 Richie be, and hereby is, barred from associating with any broker or dealer, or investment adviser, with the right to reapply for association after three years to the appropriate self-regulatory organization, or if there is none, to the Commission.

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