

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3173 / March 10, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14292

In the Matter of

STEPHEN CINA,

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 Stephen Cina (“Cina” 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.3 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. Cina, 34 years old, was a founding member and the Executive Vice President of Business Development of Jadis Capital, Inc. ("Jadis Capital"), a New York corporation. Cina was in charge of training the Jadis Capital sales staff. Jadis Capital was the sole owner of Jadis Investments, LLC ("Jadis Investments"), a Delaware limited liability company and Uniondale, Long Island-based investment adviser registered with the Commission. Beginning in June 2005, Cina spent most of his time personally soliciting investors for the purported hedge funds for which Jadis Investments was the investment manager.

2. The Commission's complaint, in the civil action entitled Securities and Exchange Commission vs. Isaac I. Ovid, et al., 09 Civ. 1521 (E.D.N.Y.) (LDW), alleges that Cina, along with six other individual defendants, participated in a fraudulent investment scheme, resulting in an overall investor loss of more than \$12 million, by making numerous misrepresentations to encourage them to invest in two purported hedge funds - the Logos Multi-Strategy Hedge Fund I, LP ("Logos Fund") and the Donum Fund, LP ("Donum Fund"). Instead of investing the money as promised, according to the complaint, the defendants misappropriated millions of dollars to furnish their own lavish lifestyles with purchases of luxury cars, jewelry, clothing, meals, and expensive foreign travel. The Commission's complaint also alleges that Cina, along with the other individual defendants and two defendant entities, improperly offered and sold securities when no registration statement was in effect as to such securities.

3. On June 29, 2009, Cina pled guilty to conspiracy to commit securities fraud, in violation of Title 18 United States Code, Section 371 before the United States District Court for the Eastern District of New York, in United States v. Stephen Cina, 09 Cr. 393-01 (E.D.N.Y.) (JG). On September 15, 2010, a judgment in the criminal case was entered against Cina. He was sentenced to 6 months of home detention, five years of probation, and 150 hours of community service, and was ordered to make restitution in the amount of \$3,303,207.99.

4. The criminal information to which Cina pled guilty, United States v. Stephen Cina, 09 Cr. 393-01 (E.D.N.Y.) (JG), alleged, inter alia, that Cina made materially false and fraudulent representations and omitted material facts in soliciting investors for the Donum Fund.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, Respondent Cina 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.

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

Elizabeth M. Murphy
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (the "Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
Chief Administrative Law Judge
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