

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 63315 / November 15, 2010**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3107 / November 15, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14123**

**In the Matter of**

**ALGIRD M. NORKUS,**

**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 Algird M. Norkus (“Norkus” 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. From at least January 1998 through August 2010, Norkus was a registered representative of two broker-dealers registered with the Commission, which were also dually registered as investment advisers.

2. On October 19, 2010, a Partial Final Judgment and Order of Permanent Injunction, Asset Freeze and Other Relief was entered by consent against Norkus, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Algird M. Norkus, et al., Case Number 1:10-cv-06582, in the United States District Court for the Northern District of Illinois.

3. The Commission's complaint in the civil action alleges that Norkus, acting as President of Financial Update, Inc. ("Financial Update"), raised at least \$6.4 million from at least 17 investors through the offer and sale of promissory notes issued by Financial Update. The complaint further alleges that Norkus told the investors that their money would be used to fund Financial Update's business activities and that he enticed investors by promising interest rates between 11% and 24% per year. The complaint alleges that in reality, Norkus used investor money to pay for personal expenses such as his mortgage and a car and that he also used the money provided by newer investors to make interest and principal payments to earlier investors. The complaint also alleges that Norkus never disclosed to investors that he was using their money in this fashion.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Norkus'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 Algird M. Norkus 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.

Elizabeth M. Murphy  
Secretary