

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63328 / November 17, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-14128

In the Matter of

WALTER W. KNITTER,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
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”) against Walter W. Knitter (“Knitter” 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, 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. Walter W. Knitter was a promoter with Integrity Financial AZ LLC ("IFAZ"), a limited liability corporation registered in the State of Arizona. Knitter engaged in an unregistered offering of securities, acted as an unregistered broker, earned commissions on IFAZ investments, and engaged in a variety of conduct that operated as a fraud and deceit on investors. Knitter, 52 years old, is a resident of Wheaton, Illinois.

2. On October 29, 2010, a final judgment was entered by consent against Knitter, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933, Sections 10(b) and 15(a) of the Exchange Act and Exchange Act Rule 10b-5, in the civil action entitled United States Securities and Exchange Commission v. Integrity Financial AZ, LLC, et al., Civil Action Number 1:10-CV-00782, in the United States District Court for the Northern District of Ohio.

3. The Commission's complaint alleged, that in connection with the sale of promissory notes purportedly secured by real estate in Tonopah, Arizona, Respondent falsely told investors that they would receive 10% guaranteed interest on their investments, that principal would be returned to investors by a date certain within two years of the investment, that the investments were insured by the Federal Deposit Insurance Corporation and by homeowner's insurance, and that 100% of investors' money would be used to build homes. The complaint also alleged that Respondent engaged in an unregistered offering of securities, acted as an unregistered broker and engaged in a variety of conduct that operated as a fraud and deceit on investors.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act that Respondent be, and hereby is, barred from association with any broker or dealer.

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.

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 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions ("Order"), on the Respondent.

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

Honorable Brenda P. Murray
Chief Administrative Law Judge
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-2557

David Gottesman, Esq.
Securities and Exchange Commission
Division of Enforcement
10 F Street, N.E.
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Mr. Walter W. Knitter
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