

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3039 / June 18, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13853**

**In the Matter of**

**ARTHUR NADEL,**

**Respondent.**

**ORDER MAKING FINDINGS AND**  
**IMPOSING REMEDIAL SANCTIONS**  
**PURSUANT TO SECTION 203(f) OF THE**  
**INVESTMENT ADVISERS ACT OF 1940**

**I.**

On April 8, 2010, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Arthur Nadel (“Respondent” or “Nadel”).

**II.**

In connection with 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.B below, which are admitted, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent’s Offer, the Commission finds that:

A. From April 2001 through January 2009, Nadel was the president and a director of Scoop Management, Inc., an unregistered investment adviser. In addition, from June 2001 through

January 2009, Nadel was the managing member of Scoop Capital, LLC, an unregistered investment adviser. Nadel, 77 years old, is a resident of Sarasota, Florida.

B. On February 24, 2010, Nadel pled guilty to six counts of securities fraud in violation of Title 15 United States Code, Sections 78j(b) and 78ff, one count of mail fraud in violation of Title 18 United States Code, Sections 1341 and 1342, and eight counts of wire fraud in violation of Title 18 United States Code, Sections 1342 and 1343, before the United States District Court for the Southern District of New York, in United States v. Arthur G. Nadel, Criminal Indictment No. 09-CRIM-433.

C. The counts of the criminal indictment to which Nadel pled guilty alleged, among other things, that from at least 1999 through January 2009, Nadel perpetrated a scheme to defraud investors by soliciting hundreds of millions of dollars of funds from them under false pretenses, failing to invest their money as promised, falsely claiming that his purchases and sales of securities resulted in high rates of returns, and misappropriating and converting investor funds for his own benefit and the benefit of others.

#### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Nadel 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 Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("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 Robert G. Mahony  
Administrative Law Judge  
Securities and Exchange Commission  
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(pro se)