

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 75880 / September 10, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16803

<p>In the Matter of</p> <p style="text-align:center">MAHER F. KARA,</p> <p>Respondent.</p>

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO
SECTION 15(b) OF THE SECURITIES
EXCHANGE ACT OF 1934
AND NOTICE OF HEARING**

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 Maher F. Kara (“Respondent” or “Kara”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Kara, age 43, is a resident of San Carlos, California. He holds Series 7 and 63 licenses and previously worked as a director at Citigroup Global Markets, Inc. (“Citigroup”). In 1998, he started as an investment banker at Salomon Smith Barney, which was acquired by Citigroup the following year. At Citigroup, Kara worked the bank’s healthcare group, focusing on biotechnology and pharmaceutical companies. He left employment at Citigroup in April 2007 and joined Barclays Capital PLC, where he worked until October 2008.

B. ENTRY OF INJUNCTION AND RESPONDENT’S CRIMINAL CONVICTION

2. On August 21, 2015, a judgment was entered by consent against Kara, permanently enjoining him from future violations of Sections 10(b) and 14(e) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 10b-5 and 14e-3 thereunder, in the civil action entitled *SEC v. Maher F. Kara, et al.*, Case No. 09-cv-01880 EMC, in the United States District Court for the Northern District of California.

3. The Commission's complaint alleges that Kara illegally disclosed material nonpublic information arising out of his work in the Citigroup healthcare group with his brother, who used the information to purchase securities of acquisition targets in his own accounts and tipped his family and friends, who purchased securities of the target companies in their accounts. As alleged in the Commission's complaint, Kara's brother's and the tippees' illegal trading resulted in ill-gotten gains that exceeded \$6 million.

4. On July 11, 2011, Kara pleaded guilty to one count of conspiracy to commit securities fraud in violation of Title 18, United States Code Section 371, and one count of securities fraud in violation of Title 18, United States Code Sections 78j(b) and 78ff, before the United States District Court for the Northern District of California in *United States v. Maher Fayeze Kara*, Case No. 09-cr-00417 EMC. On December 23, 2014, the court entered final judgment against Kara. He was sentenced to probation for a term of three years and ordered to home detention for a period of three months.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

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

Brent J. Fields
Secretary