

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77244 / February 26, 2016

INVESTMENT ADVISERS ACT OF 1940
Release No. 4345 / February 26, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17137

In the Matter of

JOSEPH A. GIORDANO,

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 Joseph A. Giordano (“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 Sections III.2. and III.4. 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 October 1992 through June 2012, Giordano was the branch manager and a registered representative of Capital Investment Group, Inc., a broker-dealer registered with the Commission. Giordano held Series 7, 24 and 63 certifications. In addition, from July 2005 until approximately January 2012, Giordano served as the sole owner, General Manager and President of Giordano Asset Management ("GAM"), a registered investment adviser. GAM served solely as the adviser to the Giordano Fund, a diversified, no load fund, and a series of the Giordano Investment Trust, which was formerly a registered investment company. Giordano was also previously associated with Merrill Lynch from April 1991 through April 1992 and with Meyers Associates, L.P. from July 2012 through July 2013. Giordano, 52 years old, is a resident of Grasonville, Maryland.

2. On February 10, 2016, a final judgment was entered by consent against Giordano, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) and (4) of the Advisers Act and Rule 206(4)-8 thereunder, and Section 34(b) of the Investment Company Act of 1940 ("Investment Company Act"), in the civil action entitled Securities and Exchange Commission v. Joseph A. Giordano, et al., Civil Action Number 14-cv-3598-WDQ, in the United States District Court for the District of Maryland.

3. The Commission's complaint alleged that from 2006 to 2010, in connection with the sale of an unregistered offering of Empire Corporation ("Empire") "Senior Subordinated Debenture Bonds" and "Registered Debentures" (collectively "bonds"), Giordano and others induced investors to purchase Empire bonds by making materially false and misleading statements and omissions concerning, among other things, Empire's financial condition and its ability to generate the promised returns. Giordano and others misled investors by claiming that investor proceeds would be used for various corporate purposes, which they were not. Giordano sold Empire bonds directly to investors, and advised his investment advisory client, the Giordano Fund, to purchase these bonds. Contrary to what Giordano and others told investors, Empire was effectively insolvent by the end of 2006, with the company unable to cover day-to-day operating expenses and make interest and redemption payments to investors.

4. On May 17, 2013, the Securities Division of the Office of the Maryland Attorney General entered a Consent Order barring Giordano from engaging in the securities or investment advisory business in the state of Maryland.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Giordano'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 Giordano be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Giordano be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

Brent J. Fields
Secretary