

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3104 / November 10, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-14120

In the Matter of

ROBERT J. SUCARATO,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Robert J. Sucarato (“Sucarato” 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 Sections III.2 and III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to 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 February 2005 through July 9, 2007, Sucarato held himself out to be the President of New York Financial Company ("NYFC"), an unregistered investment adviser that purportedly managed two hedge funds. As President of NYFC, Sucarato raised money from investors, provided investment advice to clients and prospective clients, and made investment decisions for the hedge funds. Sucarato is 40 years old, and his last known residence was in New Brunswick, New Jersey.

2. On November 23, 2009, a final judgment was entered against Sucarato, permanently enjoining him from violating Sections 4b(a)(1)(A)-(C), 4b(a)(2)(A)-(C), 4c(b), 4m(1) and 4o(1) of the Commodity Exchange Act, and Commission Regulations 4.20(a)(1) and (b), 4.21 and 33.10(a)-(c), and ordering him to pay restitution of \$800,000 and a civil penalty of \$1,200,000, in the civil action entitled Commodity Futures Trading Commission v. Robert J. Sucarato d/b/a New York Financial Company, Civil Action No. 08-cv-1932, in the United States District Court for the District of New Jersey.

3. On October 28, 2010, a final judgment was entered against Sucarato, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"), and ordering him to pay disgorgement of \$1,205,684, together with prejudgment interest of \$140,451, for a total of \$1,346,135, in the civil action entitled Securities and Exchange Commission v. Robert J. Sucarato d/b/a New York Financial Company, Civil Action No. 09-cv-4953, in the United States District Court for the District of New Jersey.

4. The Commission's complaint alleged, among other things, that Sucarato raised at least \$1,728,954 from several investors by offering investments in two hedge funds purportedly managed by Sucarato and NYFC. The complaint alleged that Sucarato made numerous false and misleading representations about the funds and NYFC, and that Sucarato either misappropriated the investors' funds for his own personal use or lost the funds by making risky investments in commodity options and securities. The complaint further alleged that, despite having never invested the funds or losing the funds that were invested, Sucarato provided false quarterly account statements to clients in which he showed extremely successful hedge funds and claimed huge returns on the investors' individual investments.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Sucarato 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.

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 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("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 Brenda P. Murray
Chief Administrative Law Judge
Securities and Exchange Commission
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Philadelphia Regional Office
Securities and Exchange Commission
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