

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3272 / September 6, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14529

In the Matter of

GREGORY P. LOLES,

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 Gregory P. Loles (“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 finding contained in Section III.2 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. At all relevant times, Loles was the owner and operator of Apeiron Capital Management, Inc. ("Apeiron"), an unregistered investment adviser in Westport, Connecticut. Loles, 52 years old, is a resident of Easton, Connecticut.

2. On July 26, 2011, Loles pleaded guilty to one count of mail fraud in violation of Title 18 of the United States Code, Section 1341, one count of wire fraud in violation of Title 18 of the United States Code, Section 1343, one count of securities fraud in violation of Title 15 of the United States Code, Sections 77q(a) and 77x, and one count of money laundering in violation of Title 18 of the United States Code, Section 1956 before the United States District Court for the District of Connecticut, in United States v. Gregory P. Loles Crim. Action No. 3:10CR247 (MRK).

3. The four counts of the indictment to which Loles pleaded guilty alleged, inter alia, that Loles defrauded investors and obtained money by means of materially false and misleading statements while operating Apeiron as an unregistered investment adviser, that he caused investors to wire transfer funds to Apeiron's account for investment purposes, which he then diverted for his own personal use and benefit, and that he used the United States mails and private commercial interstate carriers to deliver checks to investors as purported interest from investments in order to perpetuate his fraud.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Loles be, and hereby is:

barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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