

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 53962 / June 8 , 2006

INVESTMENT ADVISERS ACT OF 1940  
Release No. 2522 / June 8, 2006

Administrative Proceeding File No. 3-12327

IN THE MATTER OF ROBERT E. SHANNON

The Commission today issued an Order Instituting Administrative Proceedings 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) and Notice of Hearing (the Order) against Robert E. Shannon of Annapolis, Maryland.

The Division of Enforcement (Division) alleges in the Order that from approximately late 2001 until July 2003, Shannon was employed by Prudential Securities, Inc., then a registered broker-dealer and investment adviser, as branch manager of Prudential Securities' Boston, Massachusetts branch office. The Division alleges that, on March 29, 2006, the United States Attorney for the District of Massachusetts filed a criminal Information against Shannon concerning his aiding and abetting of others' use of deceptive trading practices to trade in the shares of a mutual fund. The Information charged Shannon with one count of aiding and abetting a violation of Section 10(b) of the Exchange Act. The case was filed in United States District Court for the District of Massachusetts and is entitled *United States v. Robert E. Shannon* (Criminal No. 06-cr-10083-RWZ). The Division further alleges that, on May 3, 2006, Shannon pleaded guilty to the one count alleged in the Information, including aiding and abetting a violation of Section 10(b) of the Exchange Act as described above.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Shannon an opportunity to dispute the allegations, and to determine what, if any, remedial action is appropriate and in the public interest pursuant to Section 15(b) of the Exchange Act or Section 203(f) of the Advisers Act. The Order requires the Administrative Law Judge to issue an initial decision no later than 210 days from the date of service of the Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.