

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

CORRECTED COPY

SECURITIES EXCHANGE ACT of 1934  
Release No. 55782/May 17, 2007

ADMINISTRATIVE PROCEEDING  
File No. 3-12612

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In the Matter of	:	
	:	
JOSEPH DEPERGOLA	:	ORDER MAKING FINDINGS AND IMPOSING SANCTION BY DEFAULT
	:	
	:	

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The Securities and Exchange Commission (Commission) initiated this proceeding on April 10, 2007, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). Respondent Joseph Depergola (Depergola) was served with the Order Instituting Proceedings (OIP) on April 13, 2007, and his Answer was due twenty days after service. On May 3, I ordered Depergola to file an Answer by May 11, or else he would be found in default.

Depergola has not filed an Answer to the OIP and he has not responded to the May 3, 2007, Order. Accordingly, I find Depergola to be in default and the allegations in the OIP to be true. 17 C.F.R. §§ 201.155, .220(f).

**Findings**

From December 2000 to May 2001 (the relevant period), Depergola, who is thirty-nine years of age, was a registered representative associated with Valley Forge Securities, Inc. (Valley Forge), a broker-dealer registered with the Commission pursuant to Section 15(b) of the Exchange Act.

On October 18, 2005, Depergola pled guilty to one count of conspiracy to commit securities fraud. United States v. Joseph Depergola, No. 05 Cr. 748 (D.N.J.). The sole count of the criminal information to which Depergola pled guilty alleged, among other things, that Depergola participated in a scheme while employed at Valley Forge to manipulate the price of Select Media Communications, Inc., and to receive undisclosed, excessive commissions from the sales of stocks while employed at Valley Forge.

## Conclusions

Where a person was associated with a broker-dealer at the time of conduct that resulted in a conviction of an offense specified in Exchange Act § 15(b)(4) the Commission is authorized to censure, place limitations on the activities or functions of such person, or suspend for a period not exceeding twelve months, or bar such person from being associated with a broker or dealer, if the Commission finds that such a sanction is in the public interest. The public interest determination is broader than simply whether the person committed the violations. Blinder, Robinson & Co., Inc., 837 F.2d 1099 (D.C. Cir. 1988). It is settled that the public interest criteria are those set out in Steadman, 603 F.2d 1126, 1140 (5th Cir. 1979), aff'd on other grounds, 450 U.S. 91 (1981); Orlando Joseph Jett, 82 SEC Docket 1211, 1260-61 (Mar. 5, 2004); KPMG Peat Marwick LLP, 54 S.E.C. 1135, 1183-84 (2001), reh'g denied, 55 S.E.C. 1 (2001), pet. denied, 289 F.3d 109 (D.C. Cir. 2002). The facts that Depergola's violations occurred over a five-month period and resulted in a criminal conviction demonstrate that his conduct was recurrent, egregious, and that he acted with scienter. There is no evidence that Depergola recognizes the wrongful nature of his conduct or that the likelihood is low he will commit future violations, if allowed to remain in the securities industry. For these reasons, I find that it is in the public interest to bar Depergola from association with any broker or dealer.

## Order

I ORDER that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, Joseph Depergola is barred from association with any broker or dealer.

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Brenda P. Murray  
Chief Administrative Law Judge