

**CORRECTED**

**Securities Exchange Act of 1934**  
**Release No. 53887 / May 30, 2006**

**Administrative Proceeding**  
**File No. 3-12309**

**ADMINISTRATIVE PROCEEDINGS INSTITUTED AGAINST ROBERT  
KOZAK AND JOHN FLANAGAN**

The United States Securities and Exchange Commission (“Commission”) announced the issuance of an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Notice of Hearing (“Order”) against Robert Kozak (“Kozak”), residing in Atlantic Beach, New York, and John Flanagan (“Flanagan”), residing in Medford, New York.

In the Commission’s Order, the Division of Enforcement alleges that Kozak and Flanagan pled guilty before the United States District Court for the Eastern District of New York to criminal charges of securities fraud in *United States v. Steven Ingrassia, et al.*, 04-CR-455 (EDNY). The counts of the criminal indictment to which Kozak and Flanagan pled guilty alleged that while at Donald & Co. Securities, Inc., a now defunct broker-dealer, they willfully and knowingly defrauded investors by means of materially false and misleading statements and omissions, and that they used the United States mails to make materially false and misleading statements and omissions.

A hearing will be will be scheduled before an Administrative Law Judge to determine whether the allegations against the respondents are true, to provide them with an opportunity to respond to the allegations, and to determine what, if any, remedial sanctions are appropriate and in the public interest.

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.

For additional information see Administrative Proceeding Release No. 3-11487 (May 14, 2004).