

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 55327 / February 21, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12572

In the Matter of

SHEA SILVA,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Shea Silva (“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 Section III.2 below, which is admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, 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. Silva was the president and sole principal of Allied Capital Management, Inc., Sunrise Energy, Inc., and Blue Marlin Energy, Inc. Silva acted as a broker by: (1) soliciting

investors to purchase securities in Allied Capital, Blue Marlin, and Sunrise; (2) negotiating the terms of sales to investors; and (3) receiving and handling investor funds. Silva was not registered with the Commission as a broker and was not associated with any registered broker-dealer at the time he engaged in these activities.

2. On December 11, 2006, an order was entered by consent against Silva, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”) and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Allied Capital Management, Inc., Shea Silva and Joanna Banks, Civil Action Number 05-cv-08800-GPS (JTLx), in the United States District Court for the Central District of California.

3. The Commission’s complaint alleged that, in connection with the sale of securities in Allied Capital, Blue Marlin, and Sunrise, Silva misused and misappropriated investor funds, made numerous misrepresentations to investors, including misrepresentations about Allied Capital, Silva, the nature of the investments, the risks involved in the investments and the potential returns on the investments, and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors. The complaint also alleged that Silva sold unregistered securities and that Silva acted as unregistered broker.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Silva be, and hereby is barred from association with any broker or dealer;

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary