

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 56482 / September 20, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12816

In the Matter of

DAVID S. GROSKY,

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 David S. Grosky (“Grosky” or “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 are 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. Grosky was the chairman of the board and chief executive officer of Efoora, Inc. ("Efoora") from 1997 until mid-2004, when he resigned as CEO of the company. He resigned as chairman in early 2005. Grosky is the sole member of Partners Holding, LLC ("Partners Holding"), an unregistered broker-dealer that he formed in approximately December 2003. Grosky, 45 years old, is a resident of Highland Park, Illinois.

2. On August 23, 2007, a judgment was entered by consent against Grosky, permanently enjoining him from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 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. Efoora, Inc., et al.*, Civil Action Number 1:06-CV-3526, in the United States District Court for the Northern District of Illinois.

3. The Commission's complaint alleged, among other things, that Grosky, as Efoora's CEO, committed securities fraud when he reviewed and approved private placement memoranda issued by Efoora in 2002 and 2003 even though he knew or was reckless in not knowing that they contained false and misleading statements. The complaint further alleged that Grosky, through Partners Holding, knowingly or recklessly made false and misleading statements to Efoora investors and gave them misleading offering documents. The complaint also alleged that Grosky violated the registration provisions of the Securities Act by selling unregistered shares of Efoora securities. Finally, the complaint alleged that Partners Holding, an entity Grosky owned and controlled, violated Section 15(a) of the Exchange Act by effecting transactions in, and inducing or attempting to induce the purchase or sale of Efoora securities without registering as a broker in accordance with Section 15(b) of the Exchange Act, and that Grosky knowingly and substantially aided and abetted Partners Holding's violations.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Grosky 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