

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**  
**May 10, 2005**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-11921**

**In the Matter of**

**GARY TODD,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
PROCEEDINGS PURSUANT TO SECTION  
15(b) OF THE SECURITIES EXCHANGE  
ACT OF 1934 AND NOTICE OF HEARING**

**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 Gary Todd (“Respondent” or “Todd”).

**II.**

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. In or about and between October 2000 and October 2003 (the “Relevant Period”), Todd was an undisclosed principal of a branch office of Delta Asset Management LLC (“Delta”), a broker-dealer registered with the Commission. During the Relevant Period, the branch office of Delta was located in Staten Island, New York, and Todd was associated with the Delta branch office located in Staten Island, New York. Todd, 49 years old, is a resident of New York, New York.

B. RESPONDENT'S CRIMINAL CONVICTION

1. On March 10, 2005, Todd pled guilty to charges of, among other things, conspiracy to commit securities fraud in violation of Title 18, United States Code, Section 371 and securities fraud in violation of Title 15, United States Code, Sections 78j(b) and 78ff before the United States District Court for the Eastern District of New York, in United States v. Pirgousis, et al., Cr. No. 04-159 (NGG).

2. The counts of the criminal indictment to which Todd pled guilty alleged, inter alia, that, during the Relevant Period, Todd, while associated with the Delta branch office, paid brokers at that Delta branch office undisclosed kickbacks as compensation for soliciting investments from the public and knowingly and willfully employed devices, schemes, and artifices to defraud and engaged in acts, practices, and courses of business which would and did operate as a fraud and deceit upon members of the investing public, in connection with the purchases and sales of securities, and by use of the means and instrumentalities of interstate commerce and the mails.

**III.**

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

**IV.**

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

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

Jonathan G. Katz  
Secretary