

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 52570/October 7, 2005

ADMINISTRATIVE PROCEEDING
File No. 3-11993

In the Matter of	:	
	:	ORDER MAKING FINDINGS
FRANK PERSICO	:	AND IMPOSING REMEDIAL
	:	SANCTION BY DEFAULT
	:	

The Securities and Exchange Commission issued its Order Instituting Proceedings (OIP) in this matter on July 27, 2005. The Division of Enforcement (Division) and the Office of the Secretary served the OIP on Respondent Frank Persico (Persico) on August 22, 2005 (Postal Service Form 3811). No Answer to the OIP has been filed and the time for filing has expired.

On September 19, 2005, the Division filed a motion for the entry of an order making findings and imposing remedial sanctions by default. The Division's motion was accompanied by a memorandum and the declaration of Anthony T. Byrne, counsel for the Division. No opposition to the Division's motion has been filed and the time for filing has expired.

On September 20, 2005, I ordered Persico to show cause, on or before October 4, 2005, why he should not be held in default. See 17 C.F.R. §§ 201.155(a), .220(f). No response to the Order to Show Cause has been filed and the time for filing has expired.

Pursuant to Rules 155(a)(2) and 220(f) of the Commission's Rules of Practice, I find Persico to be in default. I further find the following allegations of the OIP to be true.

Persico is forty-three years of age. From August 1999 to June 2000, he was a registered representative associated with Bryn Mawr Investment Group, Inc. (Bryn Mawr), a registered broker and dealer. Bryn Mawr was later known as Valley Forge Securities, Inc. (Valley Forge).

On June 30, 2005, Persico pleaded guilty to one count of conspiracy to commit securities fraud and wire fraud. United States v. Persico, No. 05 Cr. 510 (D.N.J.). The court entered the conviction on that date.

The count of the criminal information relating to securities fraud to which Persico pleaded guilty alleged, among other things, that Persico defrauded investors while working at Valley Forge by offering and paying undisclosed cash commissions to brokers for selling stock and misleading customers concerning the suitability and value of the stock. In doing so, Persico used various instrumentalities of interstate commerce. The OIP characterizes the commissions as “excessive.”

Based on the foregoing, I find it appropriate in the public interest to bar Persico from associating with any broker or dealer.

IT IS ORDERED THAT, pursuant to Section 15(b) of the Securities Exchange Act of 1934, Frank Persico is barred from associating with any broker or dealer.

James T. Kelly
Administrative Law Judge