

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 59670 / April 1, 2009

ADMINISTRATIVE PROCEEDING
File No. 3-13423

In the Matter of

DEBORAH GALAS

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 Deborah Galas (“Galas”).

II.

In anticipation of the institution of these proceedings, Galas 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 her and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Galas 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. Galas, age 51, is a resident of North Tonawanda, New York. From March 2004 to April 2007, and from July 2007 to January 2008, Galas was a registered representative associated with a series of broker-dealers registered with the Commission. On January 25, 2008, Galas terminated her association with the last in that series of registered broker-dealers and since that time has not been a registered representative associated with any broker-dealer.

2. On February 17, 2009, a final judgment was entered by consent against Galas that permanently enjoined her 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. Watermark Financial Services Group, Inc., et al., Civil Action Number 08-CV-361, in the United States District Court for the Western District of New York.

3. The Commission's amended complaint alleges, among other things, that, from at least May 2005 to May 2008, Galas and others solicited approximately 90 investors, a number of whom are senior citizens, to invest at least \$5.1 million in "convertible debentures" by falsely stating to investors that their funds would be used to purchase or develop real estate and that their investments were guaranteed. The amended complaint further alleges that, from April to June 2007, and after January 2008, Galas sold the debentures when she was neither registered as a broker or dealer nor an associated person acting under the supervision of a registered broker or dealer. The amended complaint also alleges that the debentures offering was not registered with the Commission at any time.

IV.

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

Accordingly, it is hereby ORDERED:

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

Any reapplication for association by Galas 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 Galas, 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.

Elizabeth M. Murphy
Secretary