

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 59639 / March 27, 2009

INVESTMENT ADVISERS ACT OF 1940
Release No. 2860 / March 27, 2009

ADMINISTRATIVE PROCEEDING
File No. 3-13417

In the Matter of

MICHAEL L. SILVER,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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") and Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against Michael L. Silver ("Silver" 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 and III.3 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 and Section 203(f) of the Investment Advisers Act of 1940, 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. Silver was an employee of Prudential Securities, Inc., a broker-dealer and investment adviser registered with the Commission, and Prudential Equity Group, LLC, a broker-dealer registered with the Commission.¹ From May 1993 through August 2006, Silver was also a registered representative associated with broker-dealers registered with the Commission. Silver, 37 years old, is a resident of Woodcliff Lake, NJ.

2. On February 24, 2009, a final judgment was entered by consent against Silver, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Frederick J. O'Meally, et al., Civil Action Number 06 Civ. 6483 (LTS), in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleged that, from at least January 2001 until September 2003, Silver defrauded mutual fund companies and the funds' shareholders in order to engage in "market timing" trades on behalf of four hedge fund customers through the use of multiple customer account numbers and financial adviser numbers.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Silver be, and hereby is barred from association with any broker, dealer, or investment adviser, with the right to reapply for association after three years to the appropriate self-regulatory organization, or if there is none, to the Commission;

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

¹ On August 25, 2004, the Commission issued a settled order finding that Prudential Equity Group, LLC, formerly known as Prudential Securities, Inc., violated the antifraud and other provisions of the federal securities laws in connection with a fraudulent market timing scheme that involved the use of deceptive practices to evade mutual funds' limitations on market timing. *See Prudential Equity Group*, Rel. No. 34-54371.

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.

By the Commission.

Elizabeth M. Murphy
Secretary