

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3476 / September 27, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-15051

In the Matter of

DOUGLAS ALAN
GOLDBERG,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Douglas Alan Goldberg (“Goldberg” 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, Respondent consents to the Commission’s jurisdiction over him and the subject matter of these proceedings and to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. Goldberg from 1994 through 2006 was employed by Rubin/Chambers Dunhill Insurance Services, Inc., dba CDR Financial Products, Inc. (“CDR”), a registered investment adviser with the Commission from 2001 until February 14, 2011. CDR marketed

financial products and services, including services as a bidding agent to various municipalities throughout the United States. More specifically, public entities hired CDR, among other things, to act as their agent for the purpose of conducting what was supposed to be a competitive bidding process for contracts for the investment of the proceeds from the sales of municipal bonds. Goldberg worked for CDR in the firm's then principal place of business, Beverly Hills, California. Goldberg, age 40, is a resident of Chatsworth, California.

2. On March 25, 2010, Goldberg pled guilty to two counts of conspiracy in violation of 15 U.S.C. § 1 and 18 U.S.C. § 371, respectively, and to one count of wire fraud in violation of 18 U.S.C. § 1343 before the United States District Court for the Southern District of New York, in United States v. Douglas Alan Goldberg, Criminal No. 10-cr-209. Goldberg's sentencing is currently scheduled for December 10, 2012.

3. The criminal information to which Goldberg pled guilty charged, among other things, that Goldberg engaged in fraudulent misconduct in connection with the competitive bidding process for the selection of the firms to provide instruments in which municipal issuers, in accordance with federal tax laws and regulations, temporarily invested the proceeds of tax-exempt municipal bonds. More specifically, the information charged that, from at least as early as 1998 until at least November 2006, Goldberg conspired to allocate and rig bids for investment agreements or other municipal finance contracts, in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1. According to the information, Goldberg and his co-conspirators, among other things, discussed and agreed on the prices or price levels that co-conspirator providers would bid for certain investment agreements or other municipal finance contracts. The information further charged that, from at least as early as August 2001 until at least November 2006, Goldberg, in violation of 18 U.S.C. § 371, conspired to defraud the United States and an agency thereof, the Internal Revenue Service of the United States Department of Treasury ("IRS"), by impeding, impairing, obstructing, and defeating the lawful government functions of the IRS in the ascertainment, computation, assessment, and collection of revenue due and owing from municipal issuers and in the exercise of its responsibilities to monitor compliance with Treasury regulations related to tax-exempt municipal bonds. In addition, the information charged that Goldberg and other persons known and unknown devised a scheme and artifice to defraud municipal issuers and to obtain money and property from these municipal issuers by means of false and fraudulent pretenses, representations and promises and for the purposes of executing such scheme and artifice, in violation of 18 U.S.C. § 1343, caused a provider to transmit on or about March 15, 2005, via interstate wire transfer from New York, New York to Florida, an interest payment of approximately \$13,142.93 to a port authority, which payment was artificially determined and suppressed because at the time that the marketer for the winning provider determined the price of the winning bid, Goldberg gave the marketer information about the bid submitted by another provider and suggested that the marketer lower the interest rate that he was otherwise prepared to bid.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act that Respondent Goldberg be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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.

By the Commission.

Elizabeth M. Murphy
Secretary