

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65006 / August 2, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14495

In the Matter of

SCOTT F. GELBARD,

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 Scott F. Gelbard (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (“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 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, 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. From 2002 through the present, Respondent has been a member of The Regency Group, LLC, a Colorado limited liability company headquartered in Denver,

Colorado. From at least 2004 through 2007, Respondent acted as a dealer, but failed to register as such with the Commission, and was not associated with a registered broker or dealer. Respondent, 35 years old, is a resident of Lone Tree, Colorado.

2. On July 26, 2011, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Exchange Act Sections 10(b), 15(a), 13(d), and 16(a); Exchange Act Rules 10b-5, 13d-1(a), 13d-2(a), and 16a-3; and Sections 17(a) and 5(a) and 5(c) of the Securities Act of 1933, in the civil action entitled Securities and Exchange Commission v. The Regency Group, LLC, et al., Civil Action Number 09-cv-00497, in the United States District Court for the District of Colorado.

3. The Commission's complaint alleged that Respondent acted as an underwriter in the unregistered distribution of shares in Xpention Genetics, Inc. ("Xpention") and HS3 Technologies, Inc. ("HS3"). The complaint also alleged that Respondent acted as an unregistered dealer by selling Xpention and HS3 shares to investors -- from an acquired inventory of shares -- for his own account and to raise funds for his clients Xpention and HS3, as part of his regular business. The complaint further alleged that, as part of his regular business, Respondent solicited investors to buy such shares, handled their money, and directed the transfer of shares to them.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent be, and hereby is:

barred from association with any broker or dealer.

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.

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

Elizabeth M. Murphy
Secretary