

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 61832 / April 2, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13842

In the Matter of

Richard J. Evangelista,

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 Richard J. Evangelista (“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 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. During the period from at least October 1999 through September 2001, Evangelista was the head of the stock loan department of Native Nations Securities, Inc.

("Native Nations" f/k/a Freeman Securities Co.), a broker-dealer registered with the Commission and located in Jersey City, New Jersey. Evangelista, 74 years old, is a resident of the State of Florida.

2. On April 1, 2010, a final judgment was entered by consent against Evangelista, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Ramy El-Batrawi, et al., Civil Action Number 06-2247 CAS (VBKx), in the United States District Court for the Central District of California.

3. The Commission's complaint alleges that, from approximately October 1999 through September 2001, Evangelista participated in the manipulation of the share price of the common stock of GenesisIntermedia, Inc. ("GENI"), a California-based company with telemarketing and other operations, whose stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act and traded at the time on the NASDAQ National Market System. The complaint alleges that Evangelista, as the head of the stock loan department at Native Nations, facilitated the loaning of millions of shares of GENI's stock through a complex series of stock loan chains. These stock loans limited the supply of shares available to the market and provided tens of millions of dollars in loan proceeds to the other participants who used those proceeds, in part, to buy and sell millions of shares of GENI stock in dozens of brokerage accounts in order to create a false perception of the demand for GENI stock. The complaint further alleges that Evangelista concealed from Native Nations and the other broker-dealers involved in the stock loans the fact that the source of the GENI stock being loaned was not another broker-dealer, as required by Native Nation's stock loan procedures, but rather was the CEO of GENI and entities acting on the CEO's behalf. The complaint also alleges that Evangelista was secretly compensated for facilitating the stock loans.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Evangelista 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.

By the Commission.

Elizabeth M. Murphy
Secretary