

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 62446 / July 2, 2010**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3046 / July 2, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13955**

**In the Matter of**

**GARY R. HEADDING,**

**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 Gary R. Heading (“Heading” 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. 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. Respondent controlled Envision Direct L.L.C. ("Envision") as its president, chief executive officer, chief compliance officer, and sole owner, and made the investment decisions for Envision clients. Envision was an investment adviser registered with the Commission from June 29, 2005 to June 4, 2009. From 1998 to October 2007, Respondent was also associated with several broker-dealers registered with the Commission. Respondent, 41 years old, is a resident of Newport Beach, California.

2. On June 23, 2010, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Sections 206(1) and 206(2) of the Advisers Act, and from aiding and abetting violations of Section 204 of the Advisers Act and Rule 204-2 thereunder, in the civil action entitled Securities and Exchange Commission v. Envision Direct L.L.C. and Gary R. Headding, Civil Action Number SACV 10-00241 JVS (MLGx), in the United States District Court for the Central District of California.

3. The Commission's complaint alleged that Respondent committed fraud when he withdrew unauthorized fees and stole from clients. In particular, the Commission alleged that he withdrew unauthorized advisory fees of nearly \$50,000 from three clients between March and August 2007. Furthermore, the Commission alleged that he stole approximately \$274,000 from two of these clients between April 2007 and May 2008. Finally, the Commission alleged that Respondent aided and abetted Envision's failure to maintain records required to be made and kept by a registered investment advisor.

### 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 and Section 203(f) of the Advisers Act, that Respondent Headding be, and hereby is barred from association with any broker, dealer, or investment adviser.

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

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the 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”), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-2557

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Securities and Exchange Commission  
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Mr. Gary R. Headding  
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