

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63608 / December 23, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-14102

In the Matter of

BARRY SCHWARTZ,

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934**

I.

On October 28, 2010, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Barry Schwartz (“Schwartz” or “Respondent”).

II.

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.3 below, which are admitted, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Order”) against Barry Schwartz, as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Between 1993 and 1995, Schwartz was a registered representative with Barrett Day Securities, Inc. ("Barrett Day"), a broker-dealer registered with the Commission. Schwartz, 64 years old, is currently incarcerated at United States Penitentiary-Canaan.
2. Schwartz participated in an offering of Tera West Ventures, Inc. ("Tera West") stock, which is a penny stock.
3. On December 10, 2003, Schwartz pled guilty to conspiracy to commit securities fraud in violation of Title 18 United States Code, Section 371, and conspiracy to commit money laundering in violation of Title 18, United States Code, Section 1956, before the United States District Court for the Eastern District of New York, in United States v. Barry Schwartz, et al., Crim. Information No. 03-CR-290. On May 15, 2009, a judgment in the criminal case was entered against Schwartz. He was sentenced to a prison term of 18 months followed by three years of supervised release. Schwartz also forfeited a total of \$1,276,552.
4. The counts of the criminal indictment to which Schwartz pled guilty alleged, inter alia, that Schwartz, while associated with Barrett Day, used nominees to conceal his ownership of National Health and Safety ("National Health) and Tera West, whose stocks were traded on the OTC Bulletin Board. The indictment alleged that Schwartz used his controlling interest in National Health and Tera West to arbitrarily set their stock prices and deceived the investing public by making it appear that the sales price was set by a market of multiple, independent shareholders selling their shares of National Health and Tera West.

IV.

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

Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Schwartz 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.

B. Respondent be, and hereby is, barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

By the Commission.

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 Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("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
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