

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 60998 / November 13, 2009

INVESTMENT ADVISERS ACT OF 1940
Release No. 2949 / November 13, 2009

ADMINISTRATIVE PROCEEDING
File No. 3-13684

In the Matter of

WILLIAM T. DAILEY, III,

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 William T. Dailey, III (“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. William T. Dailey, III, was a trader and the office manager, from 2003 through 2006, in the San Francisco office of Needham & Co., LLC, a New York-based broker-dealer and investment adviser registered with the Commission. Dailey is 41 years old and resides in San Mateo, California.

2. On November 3, 2009, a final judgment was entered by consent against Dailey, permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled *Securities and Exchange Commission v. Benjamin Jones, et al.*, Civil Action Number 09-CV-4895, in the United States District Court for the Northern District of California. Pursuant to the final judgment, Dailey was ordered to disgorge \$20,311 of trading profits and \$5,714 of prejudgment interest, and to pay a civil money penalty in the amount of \$91,035.

3. The Commission's complaint alleged that Dailey received material nonpublic information regarding an issuer known as Jamdat Mobile, Inc. ("Jamdat"), which he knew or should have known was provided to him in breach of a fiduciary duty to the issuer; that Dailey profited by trading in his own account on the basis of the material nonpublic information that he received; and that Dailey tipped material nonpublic information regarding Jamdat's acquisition to a friend of his, which resulted in further illicit trading in the securities of Jamdat.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Dailey'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 Dailey be, and hereby is barred from association with any broker, dealer, or investment adviser, with the right to reapply for association after five years to the appropriate self-regulatory organization, or if there is none, to the Commission;

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