

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

SECURITIES EXCHANGE ACT OF 1934
Release No. 55965 / June 26, 2007

Administrative Proceeding File No. 3-12670

In the Matter of Gary J. Spirk

The Securities and Exchange Commission announced today that it issued an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Order”) against Gary J. Spirk of Washington Borough, Pennsylvania.

In the Commission's Order, the Division of Enforcement alleges that on February 18, 2004, the Commission filed a civil action against Spirk and others [Securities and Exchange Commission v. Security Asset Capital Corporation, et al., Civil Action Number 04-CV-0683 (E.D. Pa.)]. The Order further alleges that the Commission's Complaint charged that Spirk made material misrepresentations and omissions in the offering of nine-month promissory notes issued by Security Asset Capital Corporation (“Security Asset”) and Apacor Financial, Inc. (“Apacor”); the alleged misrepresentations and omissions related to, among other things, the use of the offering proceeds and the risks associated with the investment. Finally, the complaint alleged that no registration statement was in effect as to these promissory notes; nor were they exempt from registration, and that Respondent, in connection with the charged conduct, acted as an unregistered broker-dealer.

The Order alleges that as a result of this civil action, a Final Judgment was entered against Spirk, on his default. The District Court ordered Spirk to pay disgorgement of \$1,104,016, prejudgment interest of \$523,020, and a civil penalty of \$120,000 and permanently enjoined Spirk from future violations of the antifraud provisions, Section 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder; the securities registration provisions, Sections 5(a) and 5(c) of the Securities Act; and the broker-dealer registration provisions, Section 15(a)(1) of the Exchange Act.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Spirk an opportunity to respond to these allegations, and to determine what sanctions, if any, are appropriate and in the public interest. As directed by the Commission, an administrative law judge shall issue an initial decision in this matter no later than 210 days from the date of service of the Order Instituting Proceedings.