

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 54202/July 25, 2006

ADMINISTRATIVE PROCEEDING  
File No. 3-12309

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In the Matter of	:	
	:	ORDER MAKING FINDINGS AND
ROBERT KOZAK and	:	IMPOSING REMEDIAL SANCTION
JOHN FLANAGAN	:	BY DEFAULT AS TO ROBERT KOZAK
	:	

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The Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings (OIP) on May 30, 2006. A representative of Respondent Robert Kozak (Kozak) was served with the OIP on June 5, 2006, and his Answer was due twenty days after service. On July 12, 2006, I extended the due date for Answers until July 21, 2006. I also advised that the failure to file an Answer by that date would render Kozak subject to an order of default. To date, Kozak has not filed an Answer. On July 24, 2006, the Division of Enforcement forwarded correspondence to this Office from Kozak in which he consents to an order of default.

Accordingly, Kozak is in default for failure to file an Answer or otherwise defend the proceeding. See 17 C.F.R. §§ 201.155(a), .220(f). As authorized by Rule 155(a) of the Commission's Rules of Practice, I find the following allegations in the OIP to be true, as to Kozak.

From approximately February 1999 until approximately September 2001, Kozak was a registered representative associated with Donald & Co. Securities, Inc. (Donald & Co.), a broker-dealer registered with the Commission until November 2002. Kozak holds Series 7 and 63 licenses.

On August 26, 2005, Kozak pleaded guilty to charges of, among other things, conspiracy to commit securities fraud in violation of Title 18 United States Code, Section 371, and securities fraud in violation of Title 15 United States Code, Section 78j(b), before the United States District Court for the Eastern District of New York. United States v. Kozak, 04-CR-00455 (ADS). Kozak is awaiting sentencing.

The counts of the criminal indictment to which Kozak pleaded guilty alleged, among other things, that while at Donald & Co., Kozak willfully and knowingly defrauded investors by

means of materially false and misleading statements and omissions, and that he used the United States mails to make materially false and misleading statements and omissions.

In view of the foregoing, I conclude that it is in the public interest to bar Kozak from association with any broker or dealer.

**ORDER**

IT IS ORDERED, pursuant to Section 15(b) of the Securities Exchange Act of 1934, that Robert Kozak is hereby barred from association with any broker or dealer.

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James T. Kelly  
Administrative Law Judge