

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C.SECURITIES EXCHANGE ACT OF 1934  
Rel. No. 53121 / January 13, 2006

Admin. Proc. File No. 3-9816

In the Matter of

WILLIAM MASUCCI

c/o Russell G. Ryan, Esq.  
King & Spalding, LLP  
1700 Pennsylvania Avenue, N.W.  
Washington, DC 20006-4706ORDER GRANTING MOTION  
TO VACATE IN PART  
ADMINISTRATIVE BAR  
ORDER

William Masucci is subject to a January 22, 1999 Commission consent order (the "Order") that bars him from association with any broker, dealer, municipal securities dealer, investment company, or investment adviser and from participation in any offering of penny stock. Relying on the decision in Teicher v. SEC, 1/ Masucci seeks to vacate those portions of the Order that bar him from association with any investment company or investment adviser. The Division of Enforcement opposes Masucci's motion.

The Order arose out of an administrative proceeding simultaneously instituted and settled against Masucci, formerly an owner and manager of several Florida offices of Allied Capital Group ("Allied"), a registered broker-dealer. 2/ The Commission brought a civil action against Allied and several other entities and individuals on September 6, 1990, alleging that they engaged in an unlawful scheme to defraud investors. 3/ Based on his own role in the scheme, Masucci was alleged to have violated Section 17(a) of the Securities Act of 1933 and Section

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1/ Teicher, 177 F.3d 1016 (D.C. Cir. 1999), cert. denied, 529 U.S. 1003 (2000), held that the Commission may not impose a collateral bar on association with an investment adviser or investment company in a litigated proceeding instituted pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934, 15 U.S.C. § 78o(b)(6).

2/ See Securities Exchange Act Rel. No. 40965 (Jan. 22, 1999), 68 SEC Docket 3409.

3/ See SEC v. Power Securities Corp., et al., No. 90-S-1579 (D. Colo. filed Sept. 6, 1990).

10(b) of the Exchange Act of 1934 and Exchange Act Rule 10b-5, <sup>4/</sup> and to have aided and abetted others' violations of the securities laws. <sup>5/</sup> On December 28, 1998, Masucci consented to entry of a final judgment by the U.S. District Court for the District of Colorado permanently enjoining him from violating Securities Act Section 17(a) and Exchange Act Section 10(b) and Exchange Act Rule 10b-5.

On January 22, 1999, the Commission entered the Order at issue in this proceeding. With Masucci's consent, and on the basis of the judgment entered against Masucci by the District Court, the Commission ordered that Masucci be barred from association with any broker, dealer, investment company, investment adviser, or municipal securities dealer, and from participating in any offering of penny stock.

We have stated that in reviewing requests to lift or modify administrative bar orders, we will determine whether "under all the facts and circumstances presented, it is consistent with the public interest and investor protection to permit the petitioner to function in the industry without the safeguards provided by the bar." <sup>6/</sup> Our long-standing approach to Commission administrative bars has been that they will "remain in place in the usual case and be removed only in compelling circumstances." <sup>7/</sup> Further, we have stated that we would act "in response to those situations in which, under all the facts and circumstances, the equitable need for relief, consistent with the public interest and investor protection, warrants vacating or modifying a Commission bar order." <sup>8/</sup>

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<sup>4/</sup> 15 U.S.C. §§ 77q(a), 78j(b); 17 C.F.R. § 240.10b-5.

<sup>5/</sup> 15 U.S.C. § 78o(c); 17 C.F.R. § 240.15c1-2.

<sup>6/</sup> Ciro Cozzolino, Exchange Act Rel. No. 49001 (Dec. 29, 2003), 81 SEC Docket 3769, 3774; Edward I. Frankel, Exchange Act Rel. No. 49002 (Dec. 29, 2003), 81 SEC Docket 3778, 3785; Stephen S. Wien, Exchange Act Rel. No. 49000 (Dec. 29, 2003), 81 SEC Docket 3758, 3765.

<sup>7/</sup> Ciro Cozzolino, 81 SEC Docket at 3775; Edward I. Frankel, 81 SEC Docket at 3785; Stephen S. Wien, 81 SEC Docket at 3765.

<sup>8/</sup> Ciro Cozzolino, 81 SEC Docket at 3775-76; Edward I. Frankel, 81 SEC Docket at 3785; Stephen S. Wien, 81 SEC Docket at 3766.

We conclude that it is appropriate to modify the bar against Masucci by vacating those portions of the Order that prohibit Masucci from associating with investment advisers and investment companies. <sup>9/</sup>

Accordingly, IT IS ORDERED that the January 22, 1999 Order entered against William Masucci, to the extent that it bars him from association with any investment adviser or investment company, be, and it hereby is, vacated.

By the Commission.

Nancy M. Morris  
Secretary

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<sup>9/</sup> See Jesse M. Townsley, Jr., Exchange Act Rel. No. 52161 (July 29, 2005), \_\_ SEC Docket \_\_; Peter F. Comas, Exchange Act Rel. No. 49894 (June 18, 2004), 83 SEC Docket 251.