

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS

Release No. 1106/December 17, 2013

ADMINISTRATIVE PROCEEDING

File No. 3-15236

In the Matter of

STEPHEN SHEA

:
:

ORDER

The Securities and Exchange Commission instituted this proceeding with an Order Instituting Proceedings (OIP) on March 8, 2013, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). Stephen Shea (Shea) was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) on August 20, 2013, and has failed to file an Answer, due within twenty days of service on him. See OIP at 2; 17 C.F.R. § 201.220(b). Accordingly, he is in default. See OIP at 3; 17 C.F.R. §§ 201.155(a), .220(f). However, there is no basis currently to impose a sanction on Shea based on Exchange Act Section 15(b).¹

The OIP references United States v. Mandell, No. 09-cr-662 (S.D.N.Y.), in which Shea has pleaded guilty to securities fraud and conspiracy to commit securities fraud, mail fraud, and wire fraud. However, a judgment of conviction has not been entered as to Shea; rather, the court adjourned sentencing sine die pending the outcome of Shea's co-defendants' appeal. Id. (Aug. 28, 2012).

The undersigned is required by the OIP to issue an initial decision no later than 210 days from the date of service of the OIP, that is, March 18, 2014. If Shea has not been convicted before that date, the undersigned will issue an initial decision dismissing the proceeding. If he has been convicted, the initial decision will bar him from the securities industry.

IT IS SO ORDERED.

/S/ Carol Fox Foelak
Carol Fox Foelak
Administrative Law Judge

¹ Specifically, Exchange Act Section 15(b)(6)(A)(ii) authorizes the imposition of sanctions against any person associated with a broker-dealer who "has been convicted of any offense specified in [Exchange Act Section 15(b)(4)(B)]."