

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 1289/March 7, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15617

In the Matter of

LARRY C. GROSSMAN and
GREGORY J. ADAMS

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ORDER FOR PARTIAL STAY AS
TO GREGORY J. ADAMS

On November 20, 2013, the Securities and Exchange Commission (Commission) instituted Administrative and Cease-and-Desist Proceedings alleging that Larry C. Grossman (Grossman) and Gregory J. Adams (Adams) willfully violated Section 17(a) of the Securities Act of 1933, Section 15(a) of the Securities Exchange Act of 1934, and Sections 206(1), 206(2), 206(3) and 207 of the Investment Advisers Act of 1940 (Advisers Act), and that they willfully aided, abetted, and caused violations of Section 206(4) of the Advisers Act and Advisers Act Rules 204-3 and 206(4)-2. Grossman and Adams filed Answers, and a hearing will begin on March 24, 2014. At a prehearing conference on March 7, 2014, Adams and the Division of Enforcement (Division) confirmed information set forth in the Division's Notice of Receipt of Offer of Settlement from Adams and Request for Status Conference filed on February 21, 2014, that Adams has submitted a signed Offer of Settlement consenting to the entry of a cease-and-desist order and imposition of associational bars but leaving disgorgement, pre-judgment interest, and civil penalty open for later determination.

Ruling

I STAY the proceeding as to Adams pursuant to Commission Rule of Practice 161(c)(2). If the parties fail to meet the deadlines or the Commission rejects the settlement, they shall promptly notify my Office. 17 C.F.R. § 201.161(c)(2). If the Commission accepts Adams' Offer of Settlement, I will order the Division to file a motion for summary disposition to address the remaining issues. 17 C.F.R. § 201.250. The proceeding as to Grossman will go forward on March 24, 2014, at 9:30 a.m. EDT, at the U.S. Tax Court, Timberlake Federal Annex, 501 East Polk Street, Room 1201, Tampa, Florida 33602.

Brenda P. Murray
Chief Administrative Law Judge