

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 70534 / September 26, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15527

In the Matter of

ALAN FERRARO,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Alan Ferraro (“Respondent”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From 1997 until 2006, Ferraro was a registered representative associated with Joseph Stevens & Company, Inc., a broker-dealer registered with the Commission at the time. Respondent, 43 years old, is a resident of Manalapan, New Jersey.

B. RESPONDENT’S CRIMINAL CONVICTION

2. On June 22, 2012, Respondent pled guilty to one count of grand larceny in the third degree in violation of New York Penal Law Section 155.35. *People v. Joseph Stevens & Co., Inc., et al.*, Case No. 02394-2009 (N.Y. Ct. App. June 22, 2012). Respondent was sentenced on the same day to three years’ probation, 70 hours of community service, and he was ordered to make restitution in the amount of \$201,572.

3. In connection with his guilty plea, Respondent admitted that from 1997 until 2006, he participated in a firm-wide scheme while he was associated with Joseph Stevens & Company, Inc., a broker-dealer registered with the Commission at the time, to generate and charge customers excessive and undisclosed commissions in connection with the purchase and sale of securities.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b)(6) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related

proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Elizabeth M. Murphy
Secretary