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

ADMINISTRATIVE PROCEEDINGS RULINGS Release No. 6527/March 28, 2019

ADMINISTRATIVE PROCEEDING File No. 3-18414

In the Matter of

EUGENE TERRACCIANO : ORDER

The Securities and Exchange Commission instituted this proceeding with an Order Instituting Proceedings on March 28, 2018, pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934, 203(f) of the Investment Advisers Act of 1940, and 9(b) of the Investment Company Act of 1940. On July 6, 2018, pursuant to Respondent Eugene Terracciano's offer of settlement, the Commission made various findings of fact and conclusions of law, imposed a cease-and-desist order and civil money penalty, and ordered additional proceedings to determine what, if any, "remedial action is appropriate in the public interest." *Eugene Terracciano*, Exchange Act Release No. 83604, 2018 SEC LEXIS 1663, at \*21.

The procedures for the "additional proceedings" were set with the agreement of the parties. *Eugene Terracciano*, Admin. Proc. Rulings Release Nos. 6343, 2018 SEC LEXIS 3261 (A.L.J. Nov. 19, 2018); 6458, 2019 SEC LEXIS 178 (A.L.J. Feb. 14, 2019). Accordingly, the Division of Enforcement filed a motion for sanctions, Respondent filed an opposition, and the Division filed a reply. A hearing session, at which Respondent testified and the parties presented oral arguments, was held on March 26, 2019. As ordered at the hearing session, the Division will file redacted versions of its motion for sanctions and reply, and the following exhibits were admitted.

Admitted Exhibits

Resp. Ex. 1 – Respondent's BrokerCheck report

Div. Ex. 17 – Nov. 18, 2013, email: Enhanced Procedure for Low-Price Securities Transactions in DVP/RVP accounts

Exhibits Admitted Under Seal

The following exhibits were admitted under seal and will be subject to a protective order pursuant to 17 C.F.R. § 201.322(a). Although the record in an administrative proceeding is presumed to be public, the harm resulting from disclosing the exhibits outweighs the benefits of disclosure. See 17 C.F.R. § 201.322(b). Disclosure may violate the Bank Secrecy Act and expose the Federal Government officer or employee who discloses the exhibits to criminal penalties and

imprisonment. See 31 U.S.C. §§ 5318(g)(2)(A)(ii), 5322(a). There is no benefit from disclosure in this case.

Div. Ex. 7 – emails, Bates pp. 8792-96

Div. Ex. 15 – emails, Bates pp. 8771-76

Div. Ex. 8 – emails, Bates pp. 8804-05

Div. Ex. 9 – emails, Bates pp. 17615-18

Div. Ex. 16 – emails, Bates pp. 20094-96

Div. Ex. 18 – emails, Bates pp. 185078-109

IT IS SO ORDERED.

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