

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 72310 / June 4, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15906

IN THE MATTER OF

PHILIP T. POWERS,

RESPONDENT.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

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 Philip T. Powers (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds:

1. During the relevant period Respondent was a licensed attorney and held the position of senior counsel at Handler, Thayer & Duggan, LLC ("HTD"). During the relevant period, HTD was a law firm based in Chicago, Illinois. HTD, through Powers, acted as an escrow agent for several of the issuers of stock sold through an alleged boiler room scheme. HTD has never been registered with the Commission as a broker-dealer. According to CRD records, during the relevant period, Powers was not associated with a registered broker-dealer. Powers is a resident of Chicago.

2. On February 21, 2014, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Section 15(a) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 77o(a)], in the civil action entitled Securities and Exchange Commission v. Philip T. Powers, et al., Civil Action Number 09-CV-676, in the United States District Court for the Northern District of Illinois.

3. The Commission's complaint alleges that the Respondent violated Section 15(a) of the Securities Exchange Act of 1934 by failing to register with the Commission as a broker or dealer. It is alleged that the Respondent acted as an escrow agent for the issuers of "penny stock" securities sold through a boiler room scheme, and received transaction based compensation for his services. It is further alleged that Respondent received the funds from allegedly defrauded investors, and disbursed the funds in accordance with distribution and escrow agreements. The Complaint also alleges that the Respondent's distribution of funds resulted in more than 60% of the proceeds being paid to distribution agents, foreign boiler room operators and to himself and HTD, with less than 40% paid to the issuer companies.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Philip T. Powers' Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Philip T. Powers be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially

waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Jill M. Petersen
Assistant Secretary