

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2551 / September 22, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12424

In the Matter of

VINCENT MONTAGNA,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Vincent Montagna (“Montagna” or “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 him and the subject matter of these proceedings, and the findings contained in Section III.B below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, 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 that:

A. Since 1997, Montagna has been president and chief executive officer of Quantus Inc., an entity through which he managed Tiburon Asset Management ("Tiburon Asset"), a purported domestic hedge fund. Since 2000, Montagna has also been president and chief executive officer of Tiburon Investment Management Ltd. ("Tiburon Management"), an entity through which he managed Tiburon Partners, a purported offshore hedge fund. Montagna, age 34, is a resident of Pennsylvania. From at least October 2000 through February 2004, acting through Quantus, Inc. and Tiburon Management, Montagna was acting as an investment adviser as defined by Section 202(a)(11) of the Advisers Act, 15 United States Code Section 80b-2(a)(11).

B. On June 5, 2006, Montagna pleaded guilty to two counts of fraud upon investment advisory clients in violation of Title 15 United States Code Section 80b-6 and Title 18 United States Code Section 2, before the United States District Court for the Southern District of New York, in United States v. Vincent Montagna, Crim. Indictment No. 1:05-CR-0457.

C. The counts of the criminal indictment to which Montagna pleaded guilty alleged, inter alia, that from at least October 2000 through February 2004, Montagna, acting as an investment adviser, entered into side agreements with certain companies in which Tiburon Asset and Tiburon Partners had invested. Pursuant to these side agreements, which he failed to disclose to fund investors, these companies either issued stock to or for the benefit of Montagna or paid for certain of Montagna's personal expenses.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Montagna's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Montagna be, and hereby is, barred from association with any investment adviser.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary