

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 61551 / February 19, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13785

In the Matter of

DONALD CUNNINGHAM,

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 Donald Cunningham (“Cunningham” or “Respondent”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Cunningham was a registered representative employed by eWealth Securities, Inc. (“eWealth”), a registered broker-dealer f/k/a F.L.P. Gilmour & Associates, from May 1999 to October 29, 2002. Cunningham, 57 years old, is a resident of Rutherford, New Jersey.

B. ENTRY OF THE INJUNCTION

2. On January 14, 2010, a final judgment was entered by consent against Cunningham, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. eWealth Securities, Inc., et al., Civil Action Number 02-CV-8626, in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleged, *inter alia*, that from January 2000 through July 2002, while employed by eWealth as a registered representative, Cunningham participated in the fraudulent offer and sale of over \$7 million in unregistered eWealth Holdings, Inc. ("Holdings") securities to approximately one hundred individuals. In connection with the offering, the complaint alleged that Cunningham, either directly or indirectly, made material misrepresentations and omissions concerning, among other things, the likelihood of Holdings becoming a public company, price projections for Holdings securities once it became a public company, Holdings' business activities, the use of investor proceeds, Cunningham's qualifications and credentials, and the safety of the Holdings investment.

III.

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

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

B. What, if any, remedial action is appropriate in the public interest against Cunningham pursuant to Section 15(b) 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 Cunningham 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 Cunningham fails to file the directed answer, or fails to appear at a hearing after being duly notified, Cunningham 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 Cunningham 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.

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

Elizabeth M. Murphy
Secretary