

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

SECURITIES EXCHANGE ACT OF 1934
Release No. 61945/April 20, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13743

In the Matter of :
: ORDER MAKING FINDINGS AND
WILLIAM J. HERISKO : IMPOSING SANCTION BY DEFAULT

SUMMARY

This Order bars William J. Herisko (Herisko) from association with any broker or dealer.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on January 14, 2010, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). The OIP alleges that Herisko was enjoined from violations of the antifraud provisions of the federal securities laws. Herisko was duly served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i), and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 2; 17 C.F.R. § 201.220(b). However, before twenty days had passed, the proceeding was stayed pursuant to 17 C.F.R. § 201.161(c)(2), based on a joint motion filed by the Division of Enforcement (Division) and Herisko that indicated that the parties “have agreed in principle to a settlement on all major terms” within the meaning of 17 C.F.R. § 201.161(c)(2)(i) in that Herisko had agreed to accept a bar from association with any broker or dealer. William J. Herisko, Admin. Proc. No. 3-13743 (A.L.J. Feb. 2, 2010). The stay lapsed as of February 24, 2010, pursuant to 17 C.F.R. § 201.161(c)(2)(ii) due to Herisko’s noncompliance with 17 C.F.R. § 201.161(c)(2)(i)(A). To date Herisko has not filed an Answer, nor did he appear at a March 26, 2010, prehearing conference of which he had been notified. The Division filed a Motion for Default, requesting that Herisko be barred from association with any broker or dealer on April 8, 2010, to which Herisko did not respond within the time provided by 17 C.F.R. § 201.154(b). In sum, Herisko failed to file an Answer, appear at a prehearing conference of which he had been notified, respond to a dispositive motion, or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(1), (2). Accordingly, he is in default, and the undersigned finds that the allegations in the OIP are true as to him. See OIP at 2; 17 C.F.R. §§ 201.155(a), .220(f), .221(f).

II. FINDINGS OF FACT

Herisko, age 76, resides in Palm Springs, California. Along with two other individuals, he controlled a private company called Global-Link Capital Markets, Ltd. (Global-Link), from at least March 2000 through at least April 2002. During this period, Herisko acted as an unregistered broker in transactions involving securities issued by U.S. Reservation Bank & Trust, a phony bank based in Arizona.

Herisko is permanently enjoined from future violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. SEC v. U.S. Reservation Bank & Trust, No. 2:02-CV-0581 (EHC) (D. Ariz. Sept. 25, 2006).

The wrongdoing underlying Herisko's injunction took place from at least March 2000 through at least April 2002. Herisko, along with multiple other defendants, including Global-Link, engaged in a fraudulent U.S. Reservation Bank & Trust securities offering that defrauded investors of approximately \$78 million.

III. CONCLUSIONS OF LAW

Herisko has been permanently enjoined "from engaging in or continuing any conduct or practice in connection . . . with the purchase or sale of any security" within the meaning of Sections 15(b)(4)(C) and 15(b)(6)(A)(iii) of the Exchange Act.

IV. SANCTION

Herisko will be barred from association with any broker or dealer.¹ This sanction will serve the public interest and the protection of investors, pursuant to Section 15(b) of the Exchange Act. It accords with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Herisko's unlawful conduct was recurring and egregious, extending over a period of more than two years. There are no mitigating circumstances.

V. ORDER

IT IS ORDERED that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, WILLIAM J. HERISKO IS BARRED from association with any broker or dealer.

Carol Fox Foelak
Administrative Law Judge

¹ The Commission has authority under Exchange Act Section 15(b) to sanction persons, such as Herisko, who acted as unregistered brokers. See Vladislav Steven Zubkis, 86 SEC Docket 2618 (Dec. 2, 2005), recon. denied, 87 SEC Docket 2584 (Apr. 13, 2006) (unregistered associated person of an unregistered broker-dealer barred from association with a broker or dealer).