

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

SECURITIES EXCHANGE ACT OF 1934
Release No. 67770/August 31, 2012

INVESTMENT ADVISERS ACT OF 1940
Release No. 3454/August 31, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14944

In the Matter of	:	
	:	ORDER MAKING FINDINGS AND
BRIAN M. CAMPBELL	:	IMPOSING SANCTIONS BY DEFAULT

SUMMARY

This Order bars Brian M. Campbell (Campbell) from association with any broker, dealer, or investment adviser.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on July 10, 2012, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act) and Section 203(f) of the Investment Advisers Act of 1940 (Advisers Act). The OIP alleges that Campbell was convicted of mail fraud while associated with a broker-dealer and an investment adviser. Campbell was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) on July 13, 2012, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 3; 17 C.F.R. § 201.220(b). On August 3, 2012, Campbell's attorneys advised that Campbell did not intend to file an Answer, and he has not filed an Answer to date. The Division of Enforcement (Division) filed a Motion for Default on August 6, 2012, and Campbell did not respond. Accordingly, he has failed to answer, to respond to a dispositive motion within the time provided, or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Accordingly, Campbell is in default, and the undersigned finds that the allegations in the OIP are true as to him. See OIP at 3; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

Campbell, 43, of Bayonne, New Jersey, was associated with a broker-dealer registered with the Commission between September 2001 and April 2009 and was associated with an investment adviser registered with the Commission between January 2002 and April 2009. He was also the managing director of the subsidiary of a bank that used the services of the broker-dealer and investment adviser. On November 21, 2011, Campbell was convicted of mail fraud

(18 U.S.C. §§ 2, 1341). United States v. Campbell, No. 2:10-cr-00372-DRD (D.N.J.). He was sentenced to six months in prison and three years of supervised release and ordered to pay \$300,758.35 in restitution and to forfeit \$571,104.86 to the United States. Id. The wrongdoing underlying his conviction took place between August 2007 and April 2009. Id. He caused commission checks, owed by the broker-dealer and investment adviser to the bank subsidiary, to be paid directly to him and diverted the funds, totaling approximately \$571,000, to his own personal bank account.

III. CONCLUSIONS OF LAW

Campbell has been convicted of “the violation of [18 U.S.C. §] 1341” within the meaning of Sections 15(b)(4)(B)(iv) and 15(b)(6)(A)(ii) of the Exchange Act and of Sections 203(e)(2)(D) and 203(f) of the Advisers Act. Additionally, his violation “ar[ose] out of the conduct of the business of a broker, dealer, [or] investment adviser” within the meaning of Sections 15(b)(4)(B)(ii) and 15(b)(6)(A)(ii) of the Exchange Act and of Sections 203(e)(2)(B) and 203(f) of the Advisers Act.

IV. SANCTIONS

Campbell will be barred from association with any broker, dealer, or investment adviser.¹ These sanctions will serve the public interest and the protection of investors, pursuant to Section 15(b) of the Exchange Act and Section 203(f) of the Advisers Act, and accord with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Campbell’s unlawful conduct was recurring and egregious. Extending over a period of two years, it involved hundreds of thousands of dollars.

V. ORDER

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

IT IS FURTHER ORDERED that, pursuant to Section 203(f) of the Investment Advisers Act of 1940, BRIAN M. CAMPBELL IS BARRED from association with any investment adviser.

Carol Fox Foelak
Administrative Law Judge

¹ The Division’s request for sanctions also includes a collateral bar pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). However, Campbell’s misconduct antedates the July 22, 2010, effective date of the Dodd-Frank Act. Neither the Commission nor the courts have approved such retroactive application of its provisions in any litigated case, and the undersigned declines to impose the new sanction retroactively. See Koch v. SEC, 177 F.3d 784 (9th Cir. 1999); see also Sacks v. SEC, 648 F.3d 945 (9th Cir. 2011).