

UNITED STATES OF AMERICA  
Before the  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
Release No. 70770 / October 29, 2013

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15593**

**In the Matter of**

**SCOTT TIERNEY**

**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 Scott Tierney (“Tierney” 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, Respondent consents to the Commission’s jurisdiction over him and the subject matter of these proceedings and 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 that:

1. Tierney, 45 years old, resides in Staten Island, New York. From February 1997 through April 2008, Tierney was a registered broker associated with Joseph Stevens & Company, Inc., a broker-dealer registered with the Commission.

2. On May 11, 2012, Tierney was convicted in the Supreme Court of the State of New York in People of the State of New York v. Joseph Stevens & Co., Inc., et al., Case Number 02394-2009 of: (1) three counts of fraud, a violation of New York General Business Law 352-c(1)(a) and (2) three counts of attempted grand larceny in the fourth degree, a violation of New York Penal Law 110-155.30(1). On May 11, 2012 Tierney was sentenced to three years' probation and ordered to make restitution of \$243,918.34 together with a five-percent surcharge of \$12,195.92, together totaling \$256,114.26.

3. In connection with that conviction, Respondent admitted that:

- (a) He participated in firm-wide schemes at Joseph Stevens & Co., Inc. in order to generate excessive and undisclosed commissions;
- (b) At times, he encouraged customers to purchase shares so that he would receive extra commissions that were not disclosed to customers; and
- (c) He participated in tactics to delay the execution of customer orders until an artificially inflated price was achieved to enrich himself and others at the expense of customers.

### **IV.**

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent 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 and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

Elizabeth M. Murphy  
Secretary