

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3560 / March 1, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15222

In the Matter of

NICHOLAS DELBROCCO,

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 Nicholas Delbrocco (“Delbrocco” 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 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:

1. From 2005 to 2006, Delbrocco was the chief executive officer, partial owner, and investment adviser representative of New England Asset Management, LLC ("NEAM"), an investment adviser registered with the Commission. In 2006, NEAM changed its name to Ocean State Asset Management, LLC ("OSAM"), which remained an investment adviser registered with the Commission. Delbrocco served as OSAM's chief executive officer, partial owner, and investment adviser representative from 2006 to 2009. In 2009, Delbrocco's title as chief executive officer changed to principal, and he continued to be a partial owner and investment adviser representative of OSAM. In 2010, Delbrocco assumed full ownership of OSAM, and in 2012, he added the position of chief compliance officer to his roles as principal, owner, and investment adviser representative of OSAM. Delbrocco, who is 49 years old, is a resident of North Kingstown, Rhode Island.

2. On October 18, 2012, Delbrocco pled guilty in the United States District Court for the Northern District of Ohio to one count of violating Title 18 United States Code Section 1954 (Offer, Acceptance, or Solicitation to Influence Operations of Employee Benefit Plan) and one count of violating Title 18 United States Code Section 1349 (Conspiracy to Commit Mail Fraud and Honest Services Mail Fraud), in a criminal action entitled United States of America v. Nicholas Delbrocco, Case No. 1:12-CR-00448-SL in the United States District Court for the Northern District of Ohio.

3. In connection with his guilty plea, Delbrocco admitted, *inter alia*, that, from February 2005 through August 2011, he offered and gave things of value to the Executive Secretary-Treasurer of the Ohio and Vicinity Regional Council of Carpenters ("Carpenters' Union") in order to obtain and maintain investment management business for NEAM and OSAM with the Ohio Carpenters' Pension Fund and the Ohio Carpenters' Annuity Fund. Delbrocco admitted to providing airline tickets, frequent flyer miles, rental vehicles, and hotel rooms to the Executive Secretary-Treasurer and his travel companions as well as meals, theater tickets, sporting event tickets, and firearms to an individual associated with the Executive Secretary-Treasurer. Delbrocco also admitted that he and others conspired to enrich themselves by devising a scheme to defraud and deprive the Carpenters' Union of its right to the honest and faithful services of the Executive Secretary-Treasurer through bribery and kickbacks and the concealment of material information related thereto.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act that Respondent Delbrocco 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.

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