

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 74121 / January 23, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16355

In the Matter of

MICHAEL T. LOMBARDO,
JR.,

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 (the “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 Michael T. Lombardo, Jr. (“Lombardo” 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 admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.1., III.2., and III.3. below, and consents 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. Lombardo worked as a registered representative in the Westport, Connecticut office of David Lerner Associates, Inc. (“David Lerner”) from September 2002 to March 2014. David Lerner, incorporated in New York in 1975, is a broker-dealer that has been registered with the Commission since October 22, 1976.

2. On September 11, 2014, Lombardo pled guilty in the United States District Court for the District of Connecticut to one count of violating Title 18 U.S. Code Section 1343 (wire fraud) in a criminal action entitled *United States v. Lombardo*, Case No. 3:14-cr-00189-AVC-1.

3. In connection with his guilty plea, Lombardo admitted, inter alia, that he defrauded more than twenty clients of David Lerner by diverting a total of over \$190,000.00 from their individual accounts for his personal use. Lombardo admitted that, as part of this scheme, he submitted fraudulent requests to disburse a portion of the retirement account of a client of David Lerner. He admitted that he requested that disbursement checks be sent from the client's account to him at David Lerner's Westport, CT office, forged the client's signature on the back of the checks, and then caused the checks to be deposited into his personal bank account where he would subsequently use the funds for his personal benefit.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Lombardo 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.

Brent J. Fields
Secretary