

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 76243 / October 22, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4240 / October 22, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16917

<p>In the Matter of</p> <p style="text-align:center">GARFIELD M. TAYLOR,</p> <p>Respondent.</p>
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ORDER INSTITUTING ADMINISTRATIVE PROCEEDINGS PURSUANT TO SECTION 15(b) OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECTION 203(f) OF THE INVESTMENT ADVISERS ACT OF 1940 AND NOTICE OF HEARING

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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Garfield M. Taylor (“Respondent” or “Taylor”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. At all times relevant to these proceedings, Respondent was the founder, Chief Executive Officer (“CEO”) and sole owner of Garfield Taylor, Incorporated (“GTI”), a Maryland corporation with its principal office in Washington, DC, which purported to offer various services, including real estate development and construction, options trading and mortgage marketing. In late 2007 and early 2008, Respondent and others conceived of and organized Gibraltar Asset Management Group, LLC (“GAM”), a Virginia limited liability company with its principal office in Washington, DC, which purported to be in the business of investing in covered

call options. Respondent served as GAM's Chairman, CEO and controlling member. At all times relevant to these proceedings, Respondent acted as an investment adviser because, for compensation, he engaged in the business of advising others as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, including by exercising investment authority over GTI's and/or GAM's accounts and engaging in investment decisions on their behalf. Respondent also effected securities transactions for the accounts of others, including by making trades in brokerage accounts owned by others and by inducing or attempting to induce the purchase or sale of securities issued by GTI and GAM, but Respondent was not registered as a broker or associated with a registered broker. Respondent, 56 years old, is incarcerated at FCI Allenwood Low in White Deer, Pennsylvania.

B. ENTRY OF THE INJUNCTION

2. On September 28, 2015, a final judgment was entered against Taylor, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), Sections 15(a)(1) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1), 206(2) and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. Garfield Taylor, Incorporated, et al., Civil Action Number 1:11-cv-02054-RC, in the United States District Court for the District of Columbia.

3. The Commission's complaint alleged that, from at least 2005 until 2010, Taylor defrauded over 130 investors, primarily middle-class residents and charitable organizations in the Washington, DC metropolitan area, of more than \$27 million through a Ponzi scheme and offering fraud. The complaint alleged that Taylor persuaded investors to invest in securities issued by GTI and GAM through material misrepresentations and omissions that they could earn above-market rates of return with little or no risk through a covered call investment strategy and principal protection techniques that Taylor claimed to be using. The complaint alleged, however, that investor funds were traded by Taylor and others in a highly risky and speculative trading strategy, used to pay purported interest payments to other investors, were misappropriated by Taylor for his personal use and used to make other improper payments. The complaint alleged that Taylor offered and sold GTI's and GAM's securities when no registration statement was in effect and no exemption from registration was available. The complaint also alleged that Taylor effected securities transactions for the accounts of others, but was not registered as a broker or associated with a registered broker.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act; and

C. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary