

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

**SECURITIES EXCHANGE ACT of 1934**  
**Release No. 76534 / December 1, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13532**

**In the Matter of**

**Prime Capital Services, Inc.,  
Gilman Ciocia, Inc.,  
Michael P. Ryan,  
Rose M. Rudden,  
Christie A. Andersen,  
Eric J. Brown,  
Matthew J. Collins,  
Kevin J. Walsh,  
Mark W. Wells,**

**Respondents.**

**ORDER AUTHORIZING THE  
TRANSFER OF REMAINING FUNDS  
AND ANY FUNDS RETURNED TO THE  
FAIR FUND IN THE FUTURE TO THE  
U.S. TREASURY, DISCHARGING THE  
FUND ADMINISTRATOR, AND  
TERMINATING THE FAIR FUND**

On March 16, 2010, the Securities and Exchange Commission (the "Commission") issued an Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934 as to Prime Capital Services, Inc. and Gilman Ciocia, Inc. (Securities Act Release No. 9113 (Mar. 16, 2010)) (the "Order"). The Commission found that from 1999 through early 2007, four representatives associated with Prime Capital Services, Inc. ("PCS") who were employed by Gilman Ciocia, Inc. ("G&C") induced senior citizen customers in south Florida into purchasing variable annuities by means of material misrepresentations and omissions. The Commission further found that PCS and several supervisors failed reasonably to supervise the four registered representatives so as to detect and prevent their violations of the federal securities laws. PCS was ordered to pay total of \$144,262.58 in disgorgement and prejudgment interest to the Commission, and G&C was ordered to pay total of \$450,001 in disgorgement and civil penalties to the Commission. A total of \$602,753.96 was paid to the Commission.<sup>1</sup> The Commission created a Fair Fund pursuant to Section 308 of the Sarbanes-Oxley Act of 2002 for these

---

<sup>1</sup> This amount includes approximately \$8,500 in post-order interest paid by G&C.

payments (the "Fair Fund"). The Fair Fund was held in a non-interest bearing account with the United States Department of the Treasury ("U.S. Treasury").

On September 23, 2010, the Commission issued a Notice of Proposed Plan of Distribution and Opportunity for Comment pursuant to Rule 1103 of the Commission's Rules on Fair Fund and Disgorgement Plans ("Commission's Rules"), 17 C.F.R. § 201.1103 (Exchange Act Rel. No. 62979 (September 23, 2010)). Subsequently, on February 1, 2011, the Commission issued a Notice of Proposed Modified Plan of Distribution and Opportunity for Comment pursuant to the same rule (Exchange Act Rel. No. 63813 (February 1, 2011)). On March 14, 2011, the Commission issued an Order Approving Distribution Plan of a Fair Fund and Appointing a Fund Administrator, whereby Robert J. Keyes, a Commission employee, was appointed as Fund Administrator (Exchange Act Rel. No. 64081 (March 14, 2011)).

The Plan of Distribution ("Plan") provided that monies from the Fair Fund would be distributed to Eligible Investors who were harmed by the conduct of PCS and G&C. On May 8, 2012, the Commission issued an Order Approving and Ratifying Prior Disbursement of \$390,054.77 to eleven Eligible Investors who paid fees and charges associated with their variable annuity investment and who were described in the Order and/or who testified about their investment experience at an administrative hearing (Exchange Act Release No. 66947 (May 8, 2012)). On December 18, 2013, the Commission issued an Order Directing Disbursement of Fair Fund Residual in the amount of \$141,500 to seven Eligible Investors pursuant to Sections 21(d) and 21B(e) of the Securities Exchange Act of 1934. All disbursements were accepted by the Eligible Investors and no amounts were returned to the Fair Fund. In addition, the Fair Fund paid \$1,200 in District of Columbia taxes, and \$19,829.36 in Tax Administrator fees and expenses. A balance of \$50,169.83 remains in the Fair Fund.

The Plan provides that the Fair Fund shall be eligible for termination after all of the following have occurred: 1) the final accounting by the Fund Administrator has been submitted and approved by the Commission; 2) all taxes, fees, and expenses have been paid; and 3) all remaining funds or any residual funds have been received by the Commission. A final accounting, which was submitted to the Commission for approval as required by Rule 1105(f) of the Commission's Rules, 17 C.F.R. § 201.1105(f) and as set forth in the Plan, is now approved. Staff has verified that all taxes, fees and expenses have been paid, and the Commission is in possession of the remaining funds.

Accordingly, IT IS ORDERED that:

- A. The remaining Fair Fund balance of \$50,169.83, and any funds returned to the Fair Fund in the future, shall be transferred to the U.S. Treasury;

B. The Fund Administrator, Robert J. Keyes, is discharged; and

C. The Fair Fund is terminated.

By the Commission.

Brent J. Fields  
Secretary