

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77393 / March 17, 2016

INVESTMENT ADVISERS ACT OF 1940
Release No. 4353 / March 17, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17174

In the Matter of

KEVIN L. DOWD,

Respondent.

**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,
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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Kevin L. Dowd (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (“Offer”) that 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 paragraphs 2 and 3 of Section III. below, and consents to the entry of this 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, 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. Dowd was a registered representative associated with a dually registered broker-dealer and investment adviser between 2005 and late October 2012. Dowd, 40 years old, is a resident of Boca Raton, Florida.
2. On September 30, 2013, Dowd pleaded guilty to conspiring to commit securities fraud, in violation of 18 U.S.C. § 371, by agreeing to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. §§ 240.10b-5], before the United States District Court for the District of New Jersey, in United States v. Kevin Dowd, Case No. 13-636 (D.N.J.) (the "Criminal Action"). On April 17, 2014, a judgment in the criminal case was entered against Dowd. He was sentenced to three years of probation, including four months of home confinement, and ordered to forfeit \$35,000.
3. On March 15, 2016, a judgment was entered by consent against Dowd, permanently enjoining him from future violations of Sections 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder in the civil action entitled Securities and Exchange Commission v. Kevin L. Dowd, Civil Action Number 3:13-cv-00494-AET-DEA, in the United States District Court for the District of New Jersey.
4. The Commission's complaint alleged that Dowd committed insider trading by tipping material, nonpublic information concerning the November 21, 2011, public announcement that Gilead Sciences, Inc. would acquire Pharmasset, Inc. to a friend and former business associate who bought Pharmasset securities. The complaint further alleged that Dowd's tip resulted in approximately \$708,327 in illegal profits, and that Dowd received cash compensation for providing the tip.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Dowd 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

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Dowd be, and hereby is 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