

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 87032 / September 19, 2019

INVESTMENT ADVISERS ACT OF 1940
Release No. 5357 / September 19, 2019

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 4079 / September 19, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19473

In the Matter of

David R. Gibson,

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF THE
COMMISSION’S RULES OF PRACTICE,
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 against David R. Gibson (“Respondent”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice, and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”).¹

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

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.3. and III.5. below, and consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, and Section 203(f) of the Advisers Act, 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. Respondent, age 62, was the Chief Financial Officer of Wilmington Trust Corporation (“Wilmington”) from 2002 until July 2011. From 2011 to the present, Respondent has been associated with an investment adviser registered with the Commission.

2. Wilmington was, at all relevant times, a bank holding company based in Wilmington, Delaware and incorporated under the laws of the State of Delaware. Its securities were registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 (“Exchange Act”), and its common stock traded on the New York Stock Exchange under the symbol “WL.”

3. On May 6, 2015, the Commission filed a complaint against Respondent and others in *SEC v. Gibson, et al.*, 15-cv-363 (RGA) (D. Del.). On September 17, 2019, the Court entered an order permanently enjoining Respondent, by consent, from future violations of Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)]; and Sections 10(b) and 13(b)(5) of the Exchange Act, and Rules 10b-5, 13b2-1, and 13a-14 thereunder [15 U.S.C. §§ 78j(b) and 78m(b)(5), and 17 C.F.R. §§ 240.10b-5, 240.13b2-1 and 240.13a-14]; and from aiding and abetting future violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act, and Rules 12b-20, 13a-1, 13a-11, and 13a-13 thereunder [15 U.S.C. §§ 78(m)(a), 78m(b)(2)(A), and 78m(b)(2)(B), and 17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-11, and 240.13a-13]. Respondent also was also ordered, by consent, to pay disgorgement of alleged ill-gotten gains in the amount of \$50,000, and \$20,367.72 in prejudgment interest thereon.

4. The Commission’s complaint alleges, among other things, that from the third quarter of 2009 through the second quarter of 2010, Respondent knowingly or, in the alternative, negligently made, and/or substantially participated in making, material false or misleading disclosures concerning Wilmington’s loans 90 days or more past due. More specifically, the complaint alleges that Respondent and others at Wilmington knowingly or, in the alternative, negligently engaged in conduct that misled investors concerning the extent of past due, matured and extended loans in Wilmington’s commercial loan portfolio.

5. In a related criminal proceeding, *United States v. David R. Gibson*, 15-CR-23 (D. Del.), Respondent was convicted of, *inter alia*, securities fraud and conspiracy to commit securities fraud, in violation of 18 U.S.C. §§ 1348 and 2; and 15 U.S.C. §§ 78m(a) and 78ff, which conviction is pending appeal.

IV.

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

Accordingly, it is hereby ORDERED, effective immediately, that:

Pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice, David R. Gibson is suspended from appearing or practicing before the Commission as an accountant; and

Pursuant to Section 203(f) of the Advisers Act David R. Gibson 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.

Vanessa A. Countryman
Secretary