

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3850 / June 10, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15921

In the Matter of

Robert G. Bard,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”), against Robert G. Bard (“Respondent” or “Bard”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Robert G. Bard organized Vision Specialist Group, LLC (“Vision Specialist”) in Pennsylvania on or about December 16, 2004, and was the firm’s President, managing member, and sole owner. Through at least July 31, 2009, Vision Specialist was an investment adviser registered with the Commonwealth of Pennsylvania and the State of West Virginia. At all relevant times, including while he engaged in the conduct underlying the indictment and complaint described below, Bard had complete control of the operations of Vision Specialist. Neither he nor Vision Specialist was registered with the Commission.

2. Prior to founding Vision Specialist and becoming an investment adviser, from at least February 1994 to December 2004, Bard was employed as a registered representative at various Financial Industry Regulatory Authority (“FINRA”) member firms. On October 6, 2005, Bard signed a Letter of Acceptance, Waiver and Consent relating to alleged NASD rule violations in which he agreed to be barred from association with any FINRA member, ending his career as a representative of any broker-dealer.

3. Respondent, 47 years old, is a resident of Warfordsburg, Pennsylvania.

B. ENTRY OF THE INJUNCTION THAT FORMS THE BASIS FOR ADMINISTRATIVE PROCEEDINGS

4. On November 10, 2011, in the civil action entitled Securities and Exchange Commission v. Robert Glenn Bard, et al., Civil Action Number 1:09-CV-1473, in the United States District Court for the Middle District of Pennsylvania, an order was entered permanently enjoining Bard and Vision Specialist from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act, and ordering Bard and Vision Specialist jointly and severally liable for disgorgement and prejudgment interest. On February 2, 2012, the Court ordered that Bard and Vision Specialist were also jointly and severally liable for civil penalties. On May 17, 2012, the Court granted a motion for Final Judgment, incorporating the orders for injunction, disgorgement, and civil penalties. The Final Judgment was entered on May 23, 2012.

5. The Commission’s complaint alleged that, from at least 2005 to 2009, Bard and Vision Specialist targeted unsophisticated investors with promises of high yields and safety of principal, telling clients that they had invested in safe investments such as bonds, certificates of deposits, and money market funds, and showing, as proof, consistently rising or stable account values. The complaint further alleged that, in reality, Bard squandered hundreds of thousands of dollars of client funds by making risky (and losing) investments in penny stocks and other securities, and then fraudulently overstating account values when reporting to his clients. The complaint alleged that by masking the improper investments and the dwindling balances of clients’ accounts through various misrepresentations, Bard and Vision Specialist maintained client relationships and received advisory fees from the unknowing clients.

C. ADDITIONAL RELEVANT INFORMATION

6. On July 18, 2012, a grand jury returned a twenty-one count indictment against Bard based upon the same course of conduct underlying the Commission’s action. The United States Attorney’s Office for the Middle District of Pennsylvania charged Bard with securities fraud in violation of Title 15 United States Code, Sections 78j(b) and 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5 (count 1), fourteen counts of wire fraud in violation of Title 18 United States Code, Section 1343 (counts II-XV), three counts of mail fraud in violation of Title 18 United States Code, Section 1341 (counts XVI-XVIII), bank fraud in violation of Title 18 United States Code, Section 1344 (count XIX), investment advisor fraud in violation of

Title 15 United States Code, Sections 80b-6 and 80b-7 (count XX), and with making false statements in violation of Title 18, United States Code, Section 1001 (count XXI). The case is captioned United States v. Robert G. Bard, Crim. No. 1:12-cr-00181 (M.D. Pa.).

7. On August 22, 2013, Bard was convicted of all twenty-one counts of the criminal indictment. Bard is currently awaiting sentencing. In connection with that conviction, the jury found, among other things, that:

- (a) Between approximately December 2004 until approximately August 2009, Bard, by use of the means and instrumentalities of interstate commerce knowingly and willfully employed manipulative and deceptive devices and contrivances in connection with the purchase and sale of securities by, (i) employing devices, schemes and artifices to defraud, (ii) making untrue statements of material fact, or omitting a material fact that would make other statements not misleading, or (iii) engaging in acts, practices, and courses of business which operated or would operate as a fraud or deceit on any person (count 1 – securities fraud); and
- (b) Between approximately December 2004 until approximately August 2009, Bard, acting as an investment adviser with respect to clients and potential clients of Vision Specialist Group, knowingly and willfully, by the use of the mails and means and instrumentalities of commerce, did: (i) employ devices, schemes and artifices to defraud clients and prospective clients; (ii) engage in transactions, practices, and courses of business which operated as a fraud and deceit upon clients and prospective clients; or (iii) engaged in acts, practices, and courses of business that were fraudulent, deceptive, and manipulative (count XX – investment adviser fraud).

8. The counts of the criminal indictment for which Bard was convicted, relate to the same conduct underlying the Commission’s complaint described in Paragraph 5 above.

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; and

B. 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 personally or by certified mail.

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.

Jill M. Peterson
Assistant Secretary