

SECURITIES AND EXCHANGE COMMISSION
Washington D.C.

Securities Exchange Act of 1934
Release No. 55614 / April 11, 2007

Admin. Proceeding File No. 3-12614

In the Matter of Park Financial Group, Inc. and Gordon C. Cantley

The United States Securities and Exchange Commission (Commission) announced today that it issued an Order Instituting Administrative Proceedings Pursuant to Section 15(b) and 21C of the Securities Exchange Act of 1934 (Order) against Park Financial Group, Inc. (Park) and its principal, Gordon C. Cantley (Cantley). In the Order, the Division of Enforcement alleges that Park and Cantley aided and abetted and caused a pump-and-dump scheme involving the securities of Spear & Jackson, Inc. and failed to file Suspicious Activity Reports (SARs) reporting suspicious transactions, in violation of the firm's record-keeping obligations.

The Order alleges that the Commission has already obtained injunctive relief against Dennis P. Crowley (Crowley), the former chief executive officer of Spear & Jackson, for violations of the antifraud, registration and reporting provisions of the federal securities laws in connection with his role in the pump-and-dump scheme. Pursuant to a settlement, the court ordered Crowley to pay disgorgement and civil penalties in excess of \$6 million and imposed an officer and director bar, penny stock bar and a Form S-8 stock bar that prohibits Crowley from owning or receiving S-8 issued securities. Crowley did not admit or deny the Commission's allegations against him.

The Order alleges that between February 2002 and July 2003, Park, a registered broker-dealer with a disciplinary history, and Cantley executed numerous trades in Spear & Jackson stock for three companies located in the British Virgin Islands (BVI Companies), which Crowley secretly controlled, despite obvious red flags. Specifically, on several occasions, Crowley gave Park and Cantley sell orders for the BVI Companies' accounts. Park and Cantley filled these orders even though each of these foreign-based accounts, which were rare for Park, required the written approval of at least two authorized individuals before any transaction could occur, and Crowley was not an authorized signatory. Moreover, Park and Cantley executed Crowley's trades knowing that he was the chief executive officer of Spear & Jackson; the BVI Companies' accounts traded exclusively in Spear & Jackson stock, often buying and selling shares on a daily basis; the BVI Companies were transferring large amounts of Spear & Jackson stock to a stock promoter, which was actively promoting Spear & Jackson; and Spear & Jackson's stock price was sharply increasing. During the relevant time period, Park and Cantley executed more than 200 trades in Spear & Jackson stock for the BVI Companies' accounts, which generated approximately \$2.5 million in proceeds.

The Order also alleges that Park failed to report suspicious transactions in Spear & Jackson stock by filing SARs with the Financial Crimes Enforcement Network as required by regulations implementing the Bank Secrecy Act, as amended by the USA Patriot Act, which became effective December 31, 2002.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide the Respondents an opportunity to dispute these allegations, and to determine what, if any, remedial sanctions are appropriate and in the public interest. The Order requires the Administrative Law Judge to issue an initial decision no later than 300 days from the date of service of the Order Instituting Proceedings.