

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 84414 / October 12, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18866

In the Matter of

SAUL DANIEL SUSTER,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Saul Daniel Suster (“Respondent” or “Suster”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From approximately 2010 to 2017, Suster engaged in the business of effecting transactions in securities for the account of others by working as an unregistered broker and participated in offerings of stock in a number of private companies controlled by another Respondent, including Omni Guard, Infinity Diamonds, Infinity Direct Insurance (d/b/a Corvina Holdings), Wheat Capital Management, and Wheat Self-Storage Partners I, II, and III, which are penny stocks. He is not currently registered with the Commission in any capacity and was never associated with a broker-dealer registered with the Commission. Respondent, 66 years old, is a resident of Aventura, Florida.

B. RESPONDENT'S CRIMINAL CONVICTION

2. On March 19, 2018, Suster pled guilty to one count of conspiracy to commit wire and mail fraud in violation of Title 18, United States Code, Section 1349 before the United States District Court for the Southern District of Florida, in *United States v. Daniel Joseph Touizer et al.*, Case No. 17-60286-CR-Bloom. On May 22, 2018, a judgment in the criminal case was entered against Suster, and Suster was sentenced to 30 months in prison.

3. The counts of the criminal information to which Suster pleaded guilty alleged, among other things, that Suster defrauded investors and obtained money and property by means of materially false and misleading statements in connection with stock sales. In connection with that plea, Suster admitted that:

- (a) From approximately 2010-2017, he solicited investments in a number of private companies controlled by a co-conspirator.
- (b) He acted as a "fronter" and solicited investors in "phone rooms" in an effort to sell them stock.
- (c) Once a person showed interest in investing he referred the potential investor to a co-conspirator so he could close the deal.
- (d) To create the illusion that some of the companies were profitable, he also posed as an investor and falsely told investors that his investment in the companies at issue made him a significant profit.
- (e) Suster and his co-conspirators conspired to defraud more than 150 individuals, together raising approximately \$15 million.
- (f) Investors were told these companies were profitable, which was false.
- (g) Investors were told that these investments were safe, which was false.
- (h) Investors were told that their funds would be used for working capital and to pay for sales and marketing expenses. In fact, the funds were used in part to start new ventures and to pay new investors "dividends."
- (i) Investors were also told that no commissions or fees would be charged. In fact, Suster and his co-conspirators used investor funds to pay themselves undisclosed commissions and fees.

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;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act; and

C. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to suspend or bar Respondent from participating in any offering of 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.

IV.

IT IS ORDERED that a public hearing before the Commission 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 by further order of the Commission, pursuant to 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(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.220(b).

IT IS FURTHER ORDERED that the Division of Enforcement and Respondent shall conduct a prehearing conference pursuant to Rule 221 of the Commission's Rules of Practice, 17 C.F.R. § 201.221, within fourteen (14) days of service of the Answer. The parties may meet in person or participate by telephone or other remote means; following the conference, they shall file a statement with the Office of the Secretary advising the Commission of any agreements reached at said conference. If a prehearing conference was not held, a statement shall be filed with the Office of the Secretary advising the Commission of that fact and of the efforts made to meet and confer.

If Respondent fails to file the directed Answer, or fails to appear at a hearing or conference 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 by any means permitted by the Commission's Rules of Practice.

Attention is called to Rule 151(b) and (c) of the Commission's Rules of Practice, 17 C.F.R. § 201.151(b) and (c), providing that when, as here, a proceeding is set before the Commission, all papers (including those listed in the following paragraph) shall be filed with the Office of the Secretary and all motions, objections, or applications will be decided by the Commission. The Commission requests that an electronic courtesy copy of each filing should be emailed to APFilings@sec.gov in PDF text-searchable format. Any exhibits should be sent as separate attachments, not a combined PDF.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that notwithstanding any contrary reference in the Rules of Practice to filing with or disposition by a hearing officer, all filings, including those under Rules 210, 221, 222, 230, 231, 232, 233, and 250 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.210, 221, 222, 230, 231, 232, 233, and 250, shall be directed to and, as appropriate, decided by the Commission, and that any motion for summary disposition shall be filed under Rule 250(a) or (b).

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that the Commission shall issue a decision on the basis of the record in this proceeding, which shall consist of the items listed at Rule 350(a) of the Commission's Rules of Practice, 17 C.F.R. § 201.350(a), and any other document or item filed with the Office of the Secretary and accepted into the record by the Commission. The provisions of Rule 351 of the Commission's Rules of Practice, 17 C.F.R. § 201.351, relating to preparation and certification of a record index by the Office of the Secretary or the hearing officer are not applicable to this proceeding.

The Commission will issue a final order resolving the proceeding after one of the following: (A) The completion of post-hearing briefing in a proceeding where the public hearing has been completed; (B) The completion of briefing on a motion for a ruling on the pleadings or a motion for summary disposition pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250, where the Commission has determined that no public hearing is necessary; or (C) The determination that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155, and no public hearing is necessary.

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.

By the Commission.

Brent J. Fields
Secretary