

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 92510 / July 28, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20441

In the Matter of

SHAUN GREENWALD, CPA

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
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 Shaun Greenwald (“Respondent”) pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”).

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 paragraphs III.2 and III.4 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, 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. Between November 4, 2014 and March 10, 2015, Greenwald was associated as a financial and operations principal with a broker-dealer that was registered with the Commission until January 2017. Greenwald, age 44, is a resident of Woodmere, New York and is a Certified Public Accountant licensed to practice in the State of New York.

2. On July 23, 2021, a final judgment was entered by consent against Greenwald, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), and Sections 9(a)(2) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Joseph Taub, et al., Civil Action Number 16 Civ. 09130, in the United States District Court for the District of New Jersey.

3. The Commission's complaint alleged that from at least January 2014 to December 9, 2016 Greenwald participated in a market manipulation scheme in which dozens of securities accounts at several brokerage firms were utilized to artificially influence the market prices of more than 2,500 exchange-traded securities. The complaint alleged that Greenwald opened accounts in his own name and the names of entities that he set up and actively concealed from brokerage firms that co-defendant Joseph Taub, the orchestrator of the scheme, was trading in such accounts. The complaint also alleged that Greenwald was responsible for orchestrating deceptive organizational and accounting activities necessary for the scheme.

4. On February 20, 2018, Greenwald pled guilty to conspiracy to commit securities fraud, in violation of 18 U.S.C. § 371, and conspiracy to defraud the United States, also in violation of 18 U.S.C. § 371, before the United States District Court for the District of New Jersey, in United States v. Shaun Greenwald, Crim. No. 18-78 (D.N.J.). On February 23, 2021, a judgment in the criminal case was entered against Greenwald. He was sentenced to probation for a term of three years, ordered to submit to home detention for a period of eight months, ordered to forfeit all right, title and interest in the contents of a specified bank account, and ordered to pay restitution in the amount of \$394,424.00.

5. In connection with the plea, Greenwald admitted that he made misrepresentations and omissions on account opening forms for certain brokerage accounts that he opened to hide Joseph Taub's connection to the accounts and that he intended to trick and deceive brokerage firms into believing that Joseph Taub was not associated with the accounts, despite the fact that he, Greenwald, provided log-in and password information to Joseph Taub so that Taub and others could trade in the accounts.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Greenwald 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 Greenwald 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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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