

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 94931 / May 17, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20857

In the Matter of

Alan H. New,

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 pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Alan H. New (“Respondent”).

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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph B.4 below, which are admitted, Respondent 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. At all relevant times, New, 43, was a resident of Fort Wayne, Indiana. New, through Synergy Investment Services, LLC (“Synergy”), an entity he co-owned and controlled with his partner, David N. Knuth, acted as an unregistered broker or dealer by selling the securities of Woodbridge Group of Companies, Inc. (“Woodbridge”).

2. From June 18, 2004 to August 25, 2016, New was an associated person with New York Life Securities, LLC (“NY Life”) a registered broker-dealer. From September 2005 to August 2016, New was an associated person with Eagle Strategies, LLC (“Eagle Strategies”), a registered investment adviser firm.

3. Neither NY Life nor Eagle Strategies held or offered the Woodbridge securities.

4. On April 26, 2022, a final judgment was entered against New, permanently enjoining him from future violations of Section 5 of the Securities Act of 1933 (“Securities Act”) and Section 15(a)(1) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. Alan H. New, et al., Civil Action Number 1:18-cv-03975-SEB-MJD, in the United States District Court for the Southern District of Indiana.

5. The Commission’s complaint alleged that, among other things, between September 2013 and August 2017, New, through Synergy, offered and sold Woodbridge securities. Synergy was not associated with a registered broker-dealer. Although New was associated during this time-period with NY Life, a registered broker-dealer, NY Life did not hold or offer the Woodbridge securities and New engaged in “selling away” these offerings to Synergy’s clients. New sold investors two primary types of securities: (1) a twelve-to-eighteen month term promissory note bearing 5%-8% interest that Woodbridge described as First Position Commercial Mortgages (“FPCM”), and (2) seven different private placement fund offerings with five-year terms (“Fund Offerings”). For the FPCMs, New, through Synergy, received a transaction based commission from Woodbridge equivalent to the difference of the 9% wholesale annual interest rate Woodbridge offered to Synergy and New and the 5% to 8% annual interest Synergy and New offered to investors. For the Fund Offerings, New, through Synergy, received a 5% sales commission that Woodbridge purposefully mischaracterized as a “marketing bonus,” to avoid the appearance of paying transaction based commissions. New, through Synergy, received approximately \$1.5 million in transaction based commissions from Woodbridge earned as a result of raising approximately \$15 million through the sale of Woodbridge securities to approximately 100 investors.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent 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 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, 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