

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 99894 / April 3, 2024

INVESTMENT ADVISERS ACT OF 1940
Release No. 6580 / April 3, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21899

In the Matter of

THOMAS BRENNER,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Thomas Brenner (“Respondent” or “Brenner”).

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 and Section 203(f) of the Investment

Advisers Act of 1940, 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. Brenner, 60 years old, is a resident of Orrville, Ohio. From November 2011 through June 2016, Brenner was President of First American Securities, Inc., a dually registered broker-dealer and investment adviser. From March 2015 through May 2018, Brenner sold securities in United RL Capital Services LLC, a Delaware and Michigan corporation. Brenner was registered with FINRA from 1986 until August 2016, when he was suspended by FINRA for, among other things, making misrepresentations in connection with selling securities. In July 2017, FINRA barred Brenner for failing to appear for FINRA-requested testimony.
2. On February 1, 2024, a final judgment was entered by consent against Brenner, permanently enjoining him from future violations of 17(a) of the Securities Act of 1933 (“Securities Act”), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Perry Santillo, et al., 1:18-CV-5491, in the United States District Court for the Southern District of New York.
3. The Commission’s complaint alleged that, from at least April 2013 through May 2015, Brenner participated in a fraudulent Ponzi scheme that defrauded investors through the sales of securities in issuers that purported to conduct legitimate business, but whose operations were apparently limited or non-existent. The complaint also alleged that Brenner offered and sold securities in these issuers to numerous investors, and provided investment advice to those investors and to potential investors. According to the complaint, Brenner told investors that their funds would be invested in the issuers, but instead, among other things, Brenner and others enriched themselves by misappropriating investor funds.
4. On April 12, 2023, Respondent pled guilty to one count of conspiracy to commit mail fraud and wire fraud in violation of Title 18 United States Code Section 1349, one count of conspiracy to commit securities fraud in violation of Title 18 United States Code Section 371, one count of committing mail fraud in violation of Title 18 United States Code Section 1341, one count of committing wire fraud in violation of Title 18 United States Code Section 1343, one count of securities fraud in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)], and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder, and two counts of money laundering in violation of Title 18 United States Code Section 1957 before the United States District Court for the Northern District of Ohio, in United States v. Thomas Brenner, 5:21-cr-00772-DCN. On October 31, 2023, an amended judgment in the criminal case was entered against Respondent. He was sentenced to a prison term of 125 months followed by three years of supervised release, and was ordered to make restitution in the amount of \$3,487,938.89, of which \$2,997,886.03 was jointly and severally owed with two co-defendants, and \$733,456.85 was jointly and severally owed with a third co-defendant.

5. In connection with the plea in the criminal case, Brenner admitted that:
 - (a) Brenner participated with others in a scheme to defraud investors from March 2015 through May 2018;
 - (b) The scheme involved the sale of fraudulent promissory notes issued in the name of issuers which Brenner knew actually had little to no substantial legitimate business activities; and
 - (c) In connection with the scheme, Brenner solicited and defrauded numerous investors out of approximately \$3,487,938.89 and used substantial portions of the investors' money for his personal benefit.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act, that Respondent Brenner 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 Brenner 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