

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3656 / August 27, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15444

In the Matter of

WILLIAM LANDBERG,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against William Landberg (“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, Respondent consents to the Commission’s jurisdiction over him and the subject matter of these proceedings and to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. Landberg was the chief executive of West End Financial Advisors ("West End") from at least 2003 through June 2009. West End is a New York-based, unregistered investment adviser to a collection of hedge funds (the "West End funds"). West End is affiliated with Sentinel Investment Management Corporation ("Sentinel"), which has been registered with the Commission since 1986. Landberg was also the President and Chief Compliance Officer of Sentinel. Landberg, age 59, is a resident of New York, New York.

2. On January 17, 2012, a judgment was entered by consent against Landberg, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1), 206(2), and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. William Landberg, et al., Civil Action Number 11-CV-0404 (PKC), in the United States District Court for the Southern District of New York.

3. The Commission's amended complaint alleged, among other things, that Landberg committed securities law violations at West End and Sentinel. According to the amended complaint, from at least January 2008 to May 2009, Landberg misled West End investors into believing that their money was held in stable, safe investment vehicles designed to provide steady streams of income. In reality, throughout most of that period, West End faced deepening financial problems stemming from Landberg's failed investment strategies. Landberg misused investor assets, fraudulently obtained over \$8.5 million from a German bank that provided loans to finance certain investments by West End, and used millions of dollars from an interest reserve account for unauthorized purposes. Landberg used substantial amounts of the fraudulently obtained loan proceeds to make distributions to certain West End fund investors, thereby sustaining the illusion that West End's investments were performing well. At the same time that he was committing these frauds, Landberg misappropriated at least \$1.5 million for himself and his family.

4. On November 18, 2011, Landberg pleaded guilty to one count of securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff, 17 C.F.R. § 240.10b-5, and 18 U.S.C. § 2 before the United States District Court for the Southern District of New York, in United States v. William Landberg, Crim. Information No. 10-CR-538.

5. The criminal information to which Landberg pleaded guilty alleged, inter alia, that Landberg perpetrated a scheme to defraud West End investors by failing to invest funds as promised to investors by certain West End fund documents and by misappropriating money for the benefit of other fund investors. Landberg further failed to inform certain West End fund investors that he had misappropriated that money.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act that Respondent Landberg 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.

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.

Elizabeth M. Murphy
Secretary