

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 71476 / February 4, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15738

In the Matter of

MAREK LESZCZYNSKI,

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 Marek Leszczynski (“Respondent” or “Leszczynski”).

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 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. Leszczynski was a registered representative who acted as a sales trader on the Cash Equity Desk at a New York-based interdealer broker (“Interdealer Broker”), a broker-dealer registered with the Commission, from December 2005 until December 2010. Leszczynski, 44 years old, is a resident of Coral Gables, Florida.

2. On January 14, 2014, a final judgment was entered by consent against Leszczynski, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Leszczynski, et al., Civil Action Number 1:12-CIV-7488, in the United States District Court for the Southern District of New York.

3. The Commission’s complaint alleged, among other things, that Leszczynski and others worked on Interdealer Broker’s “Cash Desk,” executing orders to purchase and sell securities on behalf of customers. From at least 2005 through at least February 2009, they perpetrated a fraudulent scheme to unlawfully take secret profits of at least \$18.7 million at the expense of Interdealer Broker’s customers. The complaint also alleges that they perpetrated the scheme by falsifying execution prices and embedding hidden markups or markdowns on over 36,000 customer transactions. The complaint also alleges that after executing an order on behalf of his customers, where the price fluctuated sufficiently to conceal the fraud from customers, Leszczynski recorded or instructed others to record, on Interdealer Broker’s internal records, a false execution price that included a secret profit for Interdealer Broker. Leszczynski provided false information to customers. Leszczynski received bonuses totaling more than \$3 million for his work on the Cash Desk from in or about early 2006 to 2009.

4. On August 20, 2013, Leszczynski pled guilty to one count of conspiracy to commit securities fraud and wire fraud and, in his allocution, described conduct that also constitutes a violation of Title 15 United States Code, Section 77q(a), Title 15 United States Code, Section 78j(b) and Title 15 Code of Federal Regulations, Section 240.10b-5 before the United States District Court for the Southern District of New York, in United States v. Leszczynski, et al., Crim. No. 12-CR-923.

5. In connection with that plea, Respondent admitted that:

- (a) he made false statements to customers in connection with purchases and sales of securities;
- (b) he added undisclosed markups to customer trades; and
- (c) he sent false execution prices to customers and failed to disclose the markups.

IV.

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

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

barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent; and 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.

Elizabeth M. Murphy
Secretary