

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 78409 / July 25, 2016**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17358**

**In the Matter of**

**SAMUEL BRASLAU,**

**Respondent.**

**ORDER INSTITUTING PUBLIC  
ADMINISTRATIVE PROCEEDINGS AND  
IMPOSING TEMPORARY SUSPENSION  
PURSUANT TO RULE 102(e)(3)(i) OF  
THE COMMISSION’S RULES OF  
PRACTICE**

**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 Samuel Braslau (“Respondent” or “Braslau”) pursuant to Rule 102(e)(3)(i)<sup>1</sup> of the Commission’s Rules of Practice (17 C.F.R. § 200.102(e)(3)(i)).

**II.**

The Commission finds that:

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<sup>1</sup> Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, temporarily suspend from appearing or practicing before it any attorney . . . who has been by name: (A) [p]ermanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating . . . any provision of the Federal securities laws or of the rules and regulations thereunder; or (B) [f]ound by any court of competent jurisdiction in an action brought by the Commission to which he or she is a party . . . to have violated (unless the violation was found not to have been willful) . . . any provision of the Federal securities laws or of the rules and regulations thereunder.

1. Samuel Braslau, 55, at all relevant times was an attorney whose office was located in Los Angeles, California.

2. On February 20, 2014, the Commission filed an action in the United States District Court for the Central District of California (“court”) against Braslau for violating Section 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder. The complaint alleged that Braslau violated the federal securities laws by orchestrating a fraudulent investment scheme to raise funds purportedly to produce a Hollywood movie entitled *The Smuggler* that was never made. Braslau raised more than \$1.7 million from more than 60 investors nationwide through the offer and sale of securities in the form of membership units in Mutual Entertainment, LLC and Film Shoot, LLC, two companies that he controlled, for the purported purpose of financing *The Smuggler*. Investors were recruited through a boiler room call center and promised high returns on passive investments in *The Smuggler*. Braslau drafted the documents used in these solicitations, in which he included statements about the use of the proceeds that he knew were false. Rather than using the proceeds to make *The Smuggler*, 69 percent of the proceeds were paid to Braslau and others.

3. On May 13, 2016, the court granted the SEC’s motion for summary judgment against Braslau, finding that he violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. The court did not find that Braslau’s conduct was not willful.

4. On May 20, 2016, the court permanently enjoined Braslau from future violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

### III.

Based on the foregoing, the Commission finds that a court of competent jurisdiction has permanently enjoined Braslau, an attorney, from violating the Federal securities laws within the meaning of Rule 102(e)(3)(i)(A) of the Commission’s Rules of Practice. The Commission also finds that a court of competent jurisdiction has found that Braslau, an attorney, violated the Federal securities laws within the meaning of Rule 102(e)(3)(i)(B) of the Commission’s Rules of Practice but did not find that his conduct was not willful. In view of these findings, the Commission deems it appropriate and in the public interest that Braslau be temporarily suspended from appearing or practicing before the Commission.

IT IS HEREBY ORDERED that Braslau be, and hereby is, temporarily suspended from appearing or practicing before the Commission. This Order will be effective upon service on the Respondent.

IT IS FURTHER ORDERED that Braslau may, within thirty days after service of this Order, file a petition with the Commission to lift the temporary suspension. If the Commission

receives no petition within thirty days after service of the Order, the suspension will become permanent pursuant to Rule 102(e)(3)(ii).

If a petition is received within thirty days after service of this Order, the Commission will, within thirty days after the filing of the petition, either lift the temporary suspension, or set the matter down for hearing at a time and place to be designated by the Commission, or both. If a hearing is ordered, following the hearing, the Commission may lift the suspension, censure the petitioner, or disqualify the petitioner from appearing or practicing before the Commission for a period of time, or permanently, pursuant to Rule 102(e)(3)(iii).

This Order shall be served upon Braslau personally or by certified mail at his last known address.

By the Commission.

Brent J. Fields  
Secretary