

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 78410 / July 25, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17359

In the Matter of

SAMUEL BRASLAU,

Respondent.

**ORDER OF FORTHWITH SUSPENSION
PURSUANT TO RULE 102(e)(2) OF THE
COMMISSION'S RULES OF PRACTICE**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate to issue an order of forthwith suspension of Samuel Braslau (“Braslau”) pursuant to Rule 102(e)(2) of the Commission’s Rules of Practice (17 C.F.R. § 200.102(e)(2)).¹

II.

The Commission finds that:

1. Samuel Braslau, 55, at all relevant times was an attorney whose office was located in Los Angeles, California. In *Securities and Exchange Commission v. Samuel Braslau, Rand J. Chortkoff and Stuart E. Rawitt*, Civil Action No. CV 14-01290-ODW (C.D. Cal.), the district court found that Braslau violated 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 district court also permanently enjoined Braslau from violating those provisions. The district court did not find that Braslau’s conduct in committing these violations was not willful.

¹ Rule 102(e)(2) provides, in pertinent part, that “[a]ny attorney who has been suspended or disbarred by a court of the United States or any State . . . shall be forthwith suspended from appearing or practicing before the Commission.”

2. 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 November 14, 2014, in a criminal action involving the same misconduct alleged in the Commission's action against Braslau, *US v. Braslau et al*, No. 2:14-cr-00044-RGK, Braslau was convicted of eleven counts of mail fraud, five counts of wire fraud and one count of making false statements to the Commission. The mail and wire fraud counts were felony charges that involved moral turpitude. On April 27, 2015, Braslau was sentenced to 87 months in prison.

4. On February 6, 2015, based on his criminal conviction, the State Bar Court of California suspended Braslau from practicing law in California effective February 26, 2015.

III.

In view of the foregoing, the Commission finds that Braslau has been (1) convicted of a felony involving moral turpitude and (2) disbarred from the practice of law by the State Bar Court of California, within the meaning of Rule 102(e)(2) of the Commission's Rules of Practice.

Accordingly, it is ORDERED, that Samuel Braslau is forthwith suspended from appearing or practicing before the Commission pursuant to Rule 102(e)(2) of the Commission's Rules of Practice.

By the Commission.

Brent J. Fields
Secretary