

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 78768 / September 2, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17526

In the Matter of

WILLIAM SCHOLANDER,

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 William Scholander (“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 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, 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. Between approximately February 2008 and November 2009, Scholander defrauded investors in Lenco Mobile Inc. (“Lenco”), an issuer with common stock registered pursuant to Section 12(g) of the Exchange Act that was subject to Exchange Act reporting obligations pursuant to Section 13(a). While acting as a registered representative associated with a broker-dealer

registered with the Commission, Scholander bought Lenco stock in his customers' accounts in exchange for undisclosed commissions paid to him by Lenco's principal, Izak Zirk de Maison (f/k/a Izak Zirk Engelbrecht) ("Engelbrecht"). Scholander, 39 years old, is a resident of New York, New York.

Respondent participated in an offering of Lenco stock, which was a penny stock.

2. On August 8, 2016, a judgment was entered by consent against Respondent, 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. Jason Cope et al., Civil Action Number 14 Civ. 7575, in the United States District Court for the Southern District of New York.

3. The Commission's Amended Complaint alleged that Respondent defrauded investors by, inter alia, buying Lenco stock in his customers' accounts that Engelbrecht was selling in the open market in exchange for commissions from Engelbrecht that Respondent did not disclose to his customers.

4. On April 20, 2016, Scholander pled guilty to one count of conspiracy to commit securities fraud, 18 U.S.C. § 1348, and wire fraud, 18 U.S.C. § 1343, in violation of 18 U.S.C. § 1349, and one count of wire fraud in violation of 18 U.S.C. § 1343, before the United States District Court for the Northern District of Ohio, in United States v. William Scholander et al., Crim. Indictment No. 1:15-cr-335.

5. The counts of the criminal indictment to which Respondent pled guilty alleged, inter alia, that Scholander (i) conspired to (a) defraud persons in connection with the securities of an issuer and to obtain money and property by means of false and fraudulent pretenses in connection with the purchase and sale of securities, and (b) devise a scheme to defraud investors by transmitting and causing the transmission by means of wire communications in interstate commerce writings, signs, signals, and pictures; and (ii) transmitted and caused to be transmitted, writings, signs, signals, pictures, and sounds by means of wire and radio communication, in interstate commerce, for the purpose of executing and attempting to execute a scheme and artifice to defraud and to obtain money and property by means of false pretenses.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Scholander be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Scholander 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, 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.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary