

proceedings, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, 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. Pensley, age 74, is a resident of New York and an attorney licensed to practice law in New York.

2. On May 5, 2010, the Commission filed a complaint against Pensley in *SEC v. Spongetech Delivery Systems, Inc., et al.* (Civil Action No. 10-cv-02031-DLI), in the United States District Court for the Eastern District of New York. On August 4, 2016, a judgment was entered by consent against Pensley, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 ("Securities Act"), and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Pensley also was permanently enjoined from participating in any offering of penny stock, and from providing professional legal services in connection with the offer or sale of securities pursuant to any exemption from the registration provisions of the Securities Act.

3. The Commission's complaint alleged that Pensley knowingly or recklessly made false and misleading statements in attorney opinion letters stating that the restrictive legends could be removed from shares of Spongetech's common stock. In his opinion letters, Pensley falsely represented that RM Enterprises International, Inc. ("RM Enterprises"), as the parent of Spongetech, was "spinning-off" shares of Spongetech to RM Enterprises' shareholders, and thus Spongetech's transfer agent could remove the restrictive legends from the "spun-off" shares. In fact, Pensley was aware at the time that he prepared his opinion letters that: (a) there was no proper basis to remove the restrictive legends from Spongetech's stock; (b) RM Enterprises was issuing the shares for consideration and that the shares were not being "spun off" *pro rata* to RM Enterprises shareholders; (c) most recipients identified in the opinion letters were not RM Enterprises shareholders; (d) RM Enterprises had no valid business purpose for the issuances; (e) Pensley himself received shares in these transactions as compensation for his services; and (f) no valid exemption or safe harbor from registration applied to these share issuances.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice, effective immediately, that:

A. Pensley is suspended from appearing or practicing before the Commission as an attorney.

By the Commission.

Brent J. Fields
Secretary