

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 84555 / November 8, 2018

INVESTMENT ADVISERS ACT OF 1940
Release No. 5063 / November 8, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18889

In the Matter of

DOUGLAS P. SIMANSKI,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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 and Section 203(f) of the Investment Advisers Act of 1940 (the “Advisers Act”) against Douglas P. Simanski (“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 2 and 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 and Section 203(f) of the Investment Advisers Action of 1940, Making Findings, and Imposing Remedial Sanctions (the “Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Simanski, age 53, resides in Lilly, Pennsylvania. From August 1999 through May 2016, Simanski was a registered representative with NEXT Financial Group, Inc. ("NEXT"). From May 2012 through May 2016, he was also an investment adviser representative associated with NEXT. NEXT is dually registered with the Commission as a broker-dealer and investment adviser.

2. On November 2, 2018, a final judgment was entered by consent against Simanski, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1), (2) and (4) of the Advisers Act and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. Douglas P. Simanski, Civil Action Number 18-cv-00221-KRG, in the United States District Court for the Western District of Pennsylvania.

3. The Commission's complaint alleged, among other things, that while associated with NEXT and while acting as an investment adviser to his clients, Simanski engaged in a scheme to defraud his clients. Simanski made material misrepresentations to his clients to induce them to send money to him personally to invest in companies which he claimed to own or operate. Simanski did not invest his clients' money as promised and instead used the money to pay other investors and for his personal expenses.

4. On November 2, 2018, Simanski pled guilty to, among other charges, a violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [78 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5] before the United States District Court for the Western District of Pennsylvania, in United States v. Douglas P. Simanski, Crim. Case No. 18-cr-00020-KRG.

5. The counts of the criminal information to which Simanski pled guilty alleged, inter alia, that Simanski defrauded investors and obtained money and property by means of false and fraudulent pretenses, representations, and promises. Among other things, Simanski admitted that he used a portion of the funds raised from investors for his personal use.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Simanski be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

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