

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85074 / February 7, 2019

INVESTMENT ADVISERS ACT OF 1940
Release No. 5108 / February 7, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-18991

In the Matter of

RONALD W. NICHTER,

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 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Ronald W. Nichter (“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 paragraph III.2 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 Act of 1940, 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. From February 2006 through April 2013, Nichter was associated with Cantella & Co., Inc., a broker-dealer and investment adviser registered with the Commission, and purchased securities and managed securities accounts on behalf of clients in and around the central Indiana area. He was also associated with registered broker-dealers in St. Louis, Missouri between December 1998 and February 2006. He previously held Series 7 and Series 24 securities licenses.

2. On February 20, 2015, Nichter pleaded guilty to eight counts of mail fraud in violation of Title 18 United States Code, Section 1341 before the United States District Court for the Southern District of Indiana, in United States v. Ronald W. Nichter, Case No. 1:13CR00249-001. On March 9, 2016, a judgment in the criminal case was entered against Nichter. He was sentenced to a prison term of 12 months plus 1 day per count, to be served concurrently, followed by two years of supervised release, and ordered to make restitution in the amount of \$16,742.34.

3. The counts of the criminal indictment to which Nichter pled guilty alleged, inter alia, that: Nichter knowingly devised, and intended to devise, a scheme or artifice to defraud, and to obtain money, funds, and other property by means of materially false and fraudulent pretenses, representations and promises; that Nichter created false Letters of Authorization with client signatures forged by Nichter; that Nichter took custody of eight checks issued to his clients pursuant to the false Letters of Authorization; that Nichter forged client signatures on those checks and deposited them into an account he controlled; and that Nichter used the proceeds for his personal benefit.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Nichter’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 Nichter 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 Nichter 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.

By the Commission.

Brent J. Fields
Secretary