

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 85583 / April 10, 2019**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19139**

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| <b>In the Matter of</b>          | : | <b>ORDER INSTITUTING ADMINISTRATIVE</b>    |
|                                  | : | <b>PROCEEDINGS PURSUANT TO RULE</b>        |
| <b>JAMES M. SCHNEIDER, Esq.,</b> | : | <b>102(e) OF THE COMMISSION’S RULES OF</b> |
|                                  | : | <b>PRACTICE, MAKING FINDINGS, AND</b>      |
| <b>Respondent.</b>               | : | <b>IMPOSING REMEDIAL SANCTIONS</b>         |

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**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against James M. Schneider (“Respondent” or “Schneider”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.<sup>1</sup>

**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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent

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<sup>1</sup> Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any attorney . . . who has been by name (A) [p]ermanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder; or (B) [f]ound by any court of competent jurisdiction in an action brought by the Commission to which he or she is a party . . . to have violated (unless the violation was found not to have been willful) or aided and abetted the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

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. Schneider, age 78, a former resident of Palm Beach County, Florida, is currently in federal custody. Schneider is and has been since 1976 an attorney licensed in Florida. Schneider issued at least 40 legal opinions letters and provided other professional services as described below.
2. On October 11, 2017, the Commission filed a complaint against Schneider in *SEC v. Schneider* (Civil Action No. 17-cv-81142), in the United States District Court for the Southern District of Florida. On April 5, 2019, the Court entered an order, by consent, permanently enjoining Schneider from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The Court also imposed a penny stock bar and a conduct-based injunction enjoining Schneider from directly or indirectly providing, or receiving compensation from the provision of, professional legal services to any person or entity in connection with the offer or sale of securities pursuant to, or claiming, an exemption under Section 4(a)(1) predicated on Securities Act Rule 144, or any other exemption from the registration provisions of the Securities Act, including, without limitation, participating in the preparation or issuance of any opinion letter relating to such offering or sale.
3. The Commission's complaint alleged, among other things, that from no later than March 2008 through November 2013, Schneider participated in a scheme with Daniel McKelvey, Alvin Mirman, and Steven Sanders ("Control Persons") in which at least 20 undisclosed "blank check" companies ("Blank Check Companies") as defined in Rule 419 under the Securities Act, 17 C.F.R. § 230.419, were manufactured for sale by reverse merger with a deceptive public float of purportedly unrestricted securities. With the substantial assistance of Schneider, the Control Persons sold 18 of the Blank Check Companies for approximately \$6 million. Schneider acted as the Control Persons' primary attorney in furtherance of the scheme. Schneider provided professional services from the beginning to the end of the process knowing – or being reckless in not knowing – about both the fraud and falsity of his statements.

**IV.**

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

Accordingly, it is hereby ORDERED, effective immediately, that:

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

By the Commission.

Vanessa A. Countryman  
Acting Secretary