

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 87268 / October 10, 2019**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19581**

**In the Matter of**

**LEK SECURITIES  
CORPORATION and  
SAMUEL LEK,**

**Respondents.**

**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 Lek Securities Corporation (“Lek Securities”) and Samuel Lek (“Sam Lek”) (collectively, “Respondents”).

**II.**

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (“Offers”) that the Commission has determined to accept. Respondents admit the facts set forth in Section III, paragraph 5 below and admit the Commission’s jurisdiction over them and the subject matter of these proceedings, and consent 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 Respondents’ Offers, the Commission finds that:

1. Lek Securities is a broker-dealer based in New York, New York and is registered with the Commission.

2. Sam Lek is the founder, Chief Executive Officer (“CEO”), Secretary, sole Director, Chief Compliance Officer, and Anti-Money Laundering Compliance Officer of Lek Securities. Between at least 2010 and 2016, Sam Lek exercised overall and day-to-day control over Lek Securities’ operations. Sam Lek holds Series 3, 7, 8, 14, 24, 53, and 63 licenses.

3. On October 1, 2019, final judgments were entered by consent against Lek Securities and Sam Lek, permanently enjoining them from future violations of Section 17(a) of the Securities Act of 1933 and Sections 9(a)(2) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Lek Securities Corporation, et al., Civil Action Number 17-cv-1789, in the United States District Court for the Southern District of New York.

4. The Commission’s Complaint in Securities and Exchange Commission v. Lek Securities Corporation, et al. alleged that Lek Securities and Sam Lek participated in and substantially assisted two manipulative trading schemes executed by Lek Securities’ customer Avalon FA, Ltd. (“Avalon”). The Commission’s Complaint also alleged that Lek Securities provided Avalon with access to the U.S. securities markets and, along with Sam Lek as CEO, approved, permitted and facilitated Avalon’s schemes even though they knew or were reckless in not knowing that Avalon was engaging in market manipulation.

5. Lek Securities and Sam Lek admit that Avalon’s trading activity through Lek Securities as alleged in the Commission’s Complaint occurred and constituted violations of the federal securities laws.

#### IV.

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

Accordingly, pursuant to Section 15(b) of the Exchange Act, it is hereby ORDERED that:

A. Lek Securities is censured.

B. Sam Lek 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 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; with the right to apply for reentry after ten (10) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman  
Secretary