

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 87904 / January 7, 2020**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 5427 / January 7, 2020**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19637**

**In the Matter of**

**BRADLEY C. MASCHO,**

**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 Bradley C. Mascho (“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 III.2 and III.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 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 approximately 2009 to 2017, Mascho was a registered representative associated with Western International Securities, Inc. (“Western”), a registered broker-dealer and registered investment adviser. He was an investment adviser representative with Western from 2014 until 2017. Mascho held Series 7, 63 and 65 licenses. Mascho, age 53, is a resident of Frederick, Maryland.

2. On December 23, 2019, a final judgment was entered by consent against Mascho, permanently enjoining him 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 Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Bradley C. Mascho, Civil Action Number 8:17-cv-2453-PX, in the United States District Court for the District of Maryland.

3. The Commission’s amended complaint alleged, among other things, that Mascho aided and abetted an offering fraud orchestrated by defendant Dawn J. Bennett (“Bennett”), founder and owner of defendant DJB Holdings, LLC (“DJBennett”), a retail business that sold luxury sporting goods and sports apparel from its brick-and-mortar store in Washington, D.C. and through its website. Mascho assisted Bennett in raising more than \$20 million from at least 46 investors through the unregistered offering of DJBennett convertible and promissory notes by fraudulently misrepresenting and omitting material facts to investors regarding DJBennett’s financial condition and operating performance, the risks associated with the investment, and the intended use of investor proceeds. Instead of using the investors’ money as promised, Mascho aided and abetted Bennett in using investor money to pay other investors in Ponzi-like payments and for Bennett’s personal expenses. The amended complaint also alleged that Mascho and Bennett sold unregistered securities.

4. On June 18, 2018, Mascho pled guilty to conspiracy to commit securities fraud, in violation of 18 U.S.C. § 371, and making false statements, in violation of 18 U.S.C. § 1001, before the United States District Court for the District of Maryland, in United States v. Bradley C. Mascho, Criminal No. 8:17-cr-472-PX. On August 28, 2019, a judgment in the criminal case was entered against Mascho. He was sentenced to 30 months in prison followed by three years of supervised release and ordered to make restitution in the amount of \$4,824,131.

5. The counts of the criminal superseding information to which Mascho pled guilty allege, among other things, that Mascho agreed with Bennett to devise a scheme to defraud investors in connection with the purchase or sale of securities by means of false and fraudulent pretenses, representations, and promises regarding their investments in DJBennett.

#### IV.

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

Vanessa A. Countryman  
Secretary