

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90295 / October 30, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-20141

In the Matter of

Alan D. Seidel,

Respondent.

**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 Alan D. Seidel (“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, 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. Seidel, age 72, resides in Long Beach, New York and was a founder and part-owner of Seidel & Co., LLC ("Seidel & Co."), who also served as its chief executive officer until 2017. Seidel currently holds Series 7, 24, and 63 licenses and was a registered representative continuously from 1988 until March 2019. He was associated with Seidel & Co. from 1997 until 2017. Subsequently, and most recently, he was associated with another broker-dealer from June 2018 to March 2019.

2. On September 24, 2020, a judgment was entered by consent against Seidel, permanently enjoining him from aiding and abetting any violation of Section 15(c)(3) of the Exchange Act and Rule 15c3-1 thereunder, in the civil action entitled Securities and Exchange Commission v. Benjamin Mekawy, et al., Civil Action Number 19 Civ. 11731 (VM), in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleged that Seidel lied to Commission staff in the Office of Compliance Examinations and Inspections ("OCIE"). Specifically, the complaint alleged that Seidel deliberately mischaracterized the proceeds of a loan to Seidel & Co. as a capital investment in the firm in order to conceal the firm's net capital deficiencies. This conduct aided and abetted the firm's violations of Section 15(c)(3) of the Exchange Act and Rule 15c3-1 thereunder.

4. On March 12, 2020, Seidel pled guilty to one count of making false statements about a matter within the jurisdiction of the Commission, in violation of Title 18 United States Code, Sections 1001 and 1002 before the United States District Court for the Southern District of New York, in United States v. Alan D. Seidel, Crim. Information No. 1:20-cr-00205-GBD. On March 12, 2020, a judgment in the criminal case was entered against Seidel.

5. The count of the criminal complaint to which Seidel pled guilty alleged, *inter alia*, that Seidel, in a matter within the jurisdiction of the executive branch of the Government of the United States, willfully and knowingly did falsely, conceal, and cover up by trick, scheme, and device material facts, and did make materially false, fictitious, and fraudulent statements and representations, to wit, Seidel represented to a member of a Commission exam team that Seidel & Co. had fallen below the SEC's net capital requirements because an investor had withdrawn \$1 million in capital when, in truth and in fact, Seidel knew that no such investment had been made and that the funds in question were loan proceeds.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and that Respondent Seidel 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.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Vanessa A. Countryman
Secretary