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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

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PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, BUREAU OF SECURITIES
LICENSING, COMPLIANCE AND
EXAMINATIONS

DOCKET No. 16 0078 (SEC-~~110~~) ^{DSC}

v.

LEHMAN CAPITAL ADVISORS, LLC
SHELDON C. LEHMAN

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Licensing, Compliance and Examinations ("Bureau") has conducted an investigation of the business practices of Lehman Capital Advisors, LLC (LCA) and Sheldon C. Lehman (Lehman). Based on the results of its investigation, the Bureau has concluded that LCA and Lehman have engaged in activity in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 et. seq. ("1972 Act"). LCA and Lehman, in lieu of litigation, and without admitting or denying the allegations herein, and intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order ("Order").

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act.
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

3. LCA, CRD#159391, was, at all times material herein, a Pennsylvania limited liability company with an address at 1525 Cedar Cliff Drive, Suite 100, Camp Hill, Pennsylvania 17011.

4. Lehman, CRD#2591192, was, at all times material herein, an individual with an address at Redacted . At all times material herein, Lehman was the managing partner and chief compliance officer of LCA.

5. From in or about January 2012 to the present, LCA has been registered pursuant to Section 301(c) of the 1972 Act, 70 P.S. §1-301(c) as an investment adviser.

6. From in or about January 2012 to the present, Lehman has been registered pursuant to Section 301(c) of the 1972 Act, 70 P.S. §1-301(c) as an investment adviser representative of LCA.

7. Lehman acted as an "affiliate" of LCA within the meaning of Section 102(b) of the 1972 Act, 70 P.S. §1-102(b), and, as such, caused LCA to commit the herein stated acts which violated the 1972 Act.

8. From in or about July 2013 until January 2014, Lehman borrowed money from a client.

VIOLATIONS

9. By engaging in the acts and conduct set forth in paragraphs 3 through 8 of the Factual Allegations, LCA and Lehman engaged in dishonest or unethical practices in the securities business by borrowing money or securities from a client, which acts and conduct form a basis to deny, suspend, revoke, or condition the registration of LCA and Lehman or to censure

LCA and Lehman pursuant to Section 305(a)(ix) of the 1972 Act, 70 P.S. 1-305(a)(ix), and Regulation 305.019(c)(3)(vi), 10 Pa. Code 305.019(c)(3)(vi), promulgated thereunder.

RELIEF

10. LCA and Lehman shall pay the Department an administrative assessment of \$100,000. Payment shall be wired to the following account:

Name: Wells Fargo Bank
Branch: 123 South Broad Street
City: Philadelphia
State: PA
Zip Code: 19109

ABA#: Redacted
Acct#: Redacted

Contact: Beverly Wright
Title: Commonwealth of PA
Checking account.

11. The administrative assessment shall be paid as follows:
- a. \$16,666.67 on or before November 15, 2016;
 - b. \$16,666.67 on or before December 15, 2016;
 - c. \$16,666.67 on or before January 15, 2017;
 - d. \$16,666.67 on or before February 15, 2017;
 - e. \$16,666.67 on or before March 15, 2017; and
 - f. \$16,666.65 on or before April 15, 2017.

12. LCA and Lehman are ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 301(c).

13. Should LCA and Lehman fail to pay the assessment as set forth in paragraphs 10 and 11, above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed as affording LCA and Lehman the option of either paying the assessment or being indefinitely subjected to the sanctions.

14. Should LCA and Lehman fail to comply with any and all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to LCA'S right and Lehman's right to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

15. Consent. LCA and Lehman hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agree that both understand all of the terms and conditions contained herein. LCA and Lehman, by voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

16. Entire Agreement. This Order contains the entire agreement among the Department, LCA and Lehman. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department, LCA and Lehman.

17. Binding Nature. The Department, LCA and Lehman, and all officers, owners, directors, employees, heirs and assigns of LCA and Lehman intend to be and are legally bound by the terms of this Order.

18. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

19. Effectiveness. LCA and Lehman hereby stipulate and agree that the Order shall become effective on the date that the Bureau executes the Order ("Effective Date").

20. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against LCA and Lehman in the future regarding all matters not resolved by this Order.

(b) LCA and Lehman acknowledge and agree that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

21. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

22. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

23. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

24. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities,

Licensing, Compliance and Examinations, Lehman Capital Advisors, LLC and Sheldon C.

Lehman, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES
BUREAU OF SECURITIES, LICENSING, COMPLIANCE AND EXAMINATIONS**

Redacted
Joseph J. Minzi
Deputy Secretary of Securities



Date: October 6, 2016

FOR LEHMAN CAPITAL ADVISORS, LLC

Redacted
(Officer Signature)
Sheldon Lehman
(Print Officer Name)
Managing Partner
(Title)

Date: October 3, 2016

FOR SHELDON C. LEHMAN

Redacted

Date: October 3, 2016