

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of

BENJAMIN J. SEIGLER,

Respondent.

PETITION FOR ORDER

File No. S-08016(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities, Bureau of Enforcement (“the Division”) has conducted an investigation in this matter pursuant to § 551.56, Wis. Stats.¹, and as a result thereof alleges as follows:

1. On December 4, 2008, the Division issued Orders of Prohibition and Revocation against several persons with business addresses in Malaysia (“Swiss Cash defendants”) for the unlicensed sale of unregistered securities to Wisconsin investors. The Orders were based on the Petition for Order, available at the Wisconsin Department of Financial Institutions website at www.wdfi.org/resources/indexed/site/newsroom/admin_orders/2008/ma_SwissCash_pet.pdf.
2. The Swiss Cash defendants referred to in ¶1 sold shares in a foreign business entity identified as “Swiss Cash Mutual Fund 1948 S.A.” (“Swiss Cash”), which had offices in New York and Dominica, West Indies. The Securities Commission of Malaysia brought an action in Malaysia against the Swiss Cash defendants for soliciting investment in what it identified as the “Swiss Cash scheme”, and the court issued an order against the defendants and approving the award of restitution to the Swiss Cash investors based on court ordered eligibility rules.
3. Benjamin J. “Ben” Seigler (“Seigler”) is an individual born in 1965 with a last known business address of 1254 Pall Mall Street, Unit B, Norfolk, Virginia 23513.
4. At all times material hereto, Seigler has been an agent of Swiss Cash and its principals in his contacts with Wisconsin investors.
5. Upon information and belief, during 2007 Seigler solicited the investment of a person in Wisconsin in the Swiss Cash scheme.
6. Investors play a strictly passive role in SwissCash with no duties and responsibilities and no involvement in the day-to-day management of SwissCash, since investors were not permitted to be involved in management, they did not have the required expertise or experience necessary to perform management duties, and there were too many investors for each to have any meaningful input.

¹ Unless otherwise noted, the statutory references are to the Wisconsin Statutes (2005-06), which were in effect at the time of the violations alleged herein and apply pursuant to § 551.703, Wis. Stats. (2007-08).

7. Since the investors in Swiss Cash would be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the investment in Swiss Cash which Seigler appeared to offer and sell to the Wisconsin investor would be an investment contract, defined by DFI-Sec. §1.02(6)(a), Wis. Adm. Code, and was therefore a security as defined by § 551.02(13), Wis. Stats.;

8. The Wisconsin investor gave Seigler over \$2600 to invest in the proposed high yield investment program, but instead of investing the money in the Swiss Cash scheme, Seigler kept the money for personal use as part of a larger ponzi scheme.

9. On May, 8, 2008, Seigler was indicted by a federal grand jury in the United States District Court for the Eastern District of Virginia, Case No. 2:08-CR-00082-RBS-TEM-1 and charged with 28 counts of mail fraud related to a United States Postal Inspection Service investigation which revealed that Seigler had received investment money from more than 4,000 individuals in an international investment scheme, and seized more than \$1.1 million from Seigler.

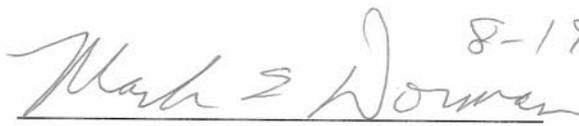
10. On October 6, 2008 Seigler plead guilty to four counts of mail fraud and criminal forfeiture, and on February 26, 2009 the district court entered a Judgment against Seigler finding him guilty on four felony counts of mail fraud, and sentenced him to 96 months in prison on each charge to run concurrently, followed by three years of supervised release on each charge to run concurrently, a special assessment of \$100 per charge, and ordered Seigler to receive mental health counseling and treatment for his fraud mentality. On May 13, 2009, a final restitution order was entered in an amount totaling over \$1 million, including the \$2667.15 to the Wisconsin investor referred to above, as well as other amounts for investor victims nationwide.

11. The conduct of Seigler alleged in ¶¶5-8 above constitutes a violation of § 551.41(2), Wis. Stats., which provides that it is unlawful for any person, in connection with the offer, sale or purchase of a security in this state, directly or indirectly ... to make any untrue statement of fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

12. Staff of the Division of Securities mailed an inquiry letter to Seigler, with a due date for a response, but to date have received no response despite the due date having passed.

Therefore, the staff of the Division petitions the Administrator of the Division of Securities for the issuance of the attached Orders pursuant to Ch. 551, Wis. Stats.

Dated this 19th day of August, 2010.


Mark E. Dorman
Examiner

8-19-10

Leslie Van Buskirk
Attorney Supervisor