

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2397 / June 16, 2005**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-11954**

**In the Matter of**

**BURTON G. FRIEDLANDER,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Burton G. Friedlander (“Friedlander” or “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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. BURTON G. FRIEDLANDER, age 66, is an unregistered investment adviser. Friedlander was the president and sole shareholder of Friedlander Capital Management Corporation ("FCMC"), which from 1998 through 2001 acted as an investment adviser for Friedlander Limited Partnership and Friedlander International Limited hedge funds. In addition, from 1994 through 2001, Friedlander and FCMC acted as investment advisers to certain individuals and entities whose investments were pooled (the "Pooled Fund").

2. On May 25, 2005, Friedlander pled guilty to Count I of an indictment alleging, *inter alia*, fraud by an investment adviser in violation of Section 206 of the Advisers Act [Title 15, United States Code, Section 80b-6] before the United States District Court for the Southern District of New York, in United States v. Burton G. Friedlander, No. 03 Cr. 1172 (JGK). In connection with his guilty plea, Respondent arranged for the amount of approximately \$2,052,647 to be placed into an escrow account for the benefit of investors in the Pooled Fund.

3. The count of the indictment to which Friedlander pled guilty alleged, *inter alia*, that Friedlander, acting as an investment adviser, unlawfully, willingly, and knowingly by use of the means and instrumentalities of interstate commerce and of the mails, directly and indirectly, (a) employed devices, schemes, and artifices to defraud clients and prospective clients of the Pooled Fund, and (b) engaged in transactions, practices, and courses of business which operated as a fraud and deceit upon clients and prospective clients of the Pooled Fund.

### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Friedlander be, and hereby is barred from association with any investment adviser;

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.

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

Jonathan G. Katz  
Secretary