

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 64704 / June 20, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14430

In the Matter of

JOSEPH SHERESHEVSKY,

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 Joseph Shereshevsky (“Shereshevsky” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (“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 jurisdiction over him, the subject matter of these proceedings, and the findings contained in

Paragraphs III.2. and III.3. below, which are admitted, Respondent consents to 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:

RESPONDENT

1. From in or about 2005 through in or about August 2008, Shereshevsky, age 54, was associated with Wextrust Securities, LLC, a broker-dealer formed in 2005 and registered with the Commission since March 2006. In a plea agreement dated February 3, 2011, Shereshevsky admitted that from in or about 2005 through in or about August 2008 he was “a person associated with a broker or dealer.”

RESPONDENT’S CRIMINAL CONVICTION

2. On February 3, 2011, Shereshevsky pleaded guilty to one count of securities fraud in violation of Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2, one count of conspiracy to commit securities fraud, mail fraud, and wire fraud in violation of Title 18, United States Code, Section 371, and one count of mail fraud in violation of Title 18, United States Code, Sections 1341 and 1342, before the United States District Court for the Southern District of New York, in *United States v. Steven Byers et al.*, No. 08-cr-1092 (DC).

3. The counts in the superseding indictment to which Shereshevsky pleaded guilty allege, *inter alia*, that Shereshevsky raised money from investors pursuant to private placement offerings, that he diverted material portions of the investor funds raised to purposes other than those specified in the private placement memoranda pursuant to which the funds were raised and failed to disclose the diversion of funds to investors, that he created or caused to be created false and fraudulent documents that falsely reflected profits earned by the investors, that he made materially false, fraudulent and misleading statements in documents distributed to investors that misstated, among other things, expenditures and income related to the investments, and that he used facilities of interstate commerce to further the fraud.

IV.

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

Accordingly, it is hereby ORDERED that:

Pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934, Respondent Shereshevsky 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, 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.

Elizabeth M. Murphy
Secretary