

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 57677 / April 17, 2008

INVESTMENT ADVISERS ACT OF 1940
Release No. 2726 / April 17, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13011

In the Matter of

GARY L. LANCASTER,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND 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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Gary L. Lancaster (“Lancaster” 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 15(b) of the Securities Exchange Act of 1934 and 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. Lancaster was the control person of the Lancorp Financial Fund Business Trust and Lancorp Financial, LLC. Lancaster was a registered representative with American Fidelity Securities, Inc. from March 2006 through July 2006, Sloan Securities Corporation from July 2005 through October 2005, and The O.N. Equity Sales Company from March 2004 through January 2005. Lancaster has never been associated with an investment adviser registered with the Commission. Lancaster, age 54, is a resident of Vancouver, Washington.

2. On March 27, 2008, a final judgment was entered by consent against Lancaster, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Gary L. McDuff, Gary L. Lancaster and Robert T. Reese, Civil Action Number 3-08CV-526-L, in the United States District Court for the Northern District of Texas, Dallas Division.

3. The Commission's complaint alleged, among other things, that in connection with the offer and sale of securities, Lancaster knew or was severely reckless in making materially false and misleading statements concerning the Lancorp Fund, that Lancaster misused and misappropriated investor funds, and that Lancaster otherwise engaged in a variety of conduct that operated as a fraud and deceit on investors. The complaint also alleged that Lancaster offered and sold securities in unregistered transactions.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Lancaster be, and hereby is, barred from association with any broker, dealer, or 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.

Nancy M. Morris
Secretary