

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 67690 / August 20, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14990

In the Matter of

PRESTON L. SJOBLUM,

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 Preston L. Sjoblom (“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, 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. Sjoblom, a resident of Great Falls, Virginia, was a co-owner and co-operator of Spyglass Equity Systems, Inc. (“Spyglass”), a California corporation with its principal place of

business in Los Angeles, California. Between October 2007 and March 2009, Spyglass operated as a telemarketing firm purportedly selling automated trading systems.

2. On July 27, 2012, a final judgment was entered by consent against Sjoblom, permanently enjoining him from future violations of Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, and from aiding and abetting violations of Section 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-8 thereunder in the civil action entitled *Securities and Exchange Commission v. Spyglass Equity Systems, Inc.*, Civil Action Number LACV11-02371 JAK, in the United States District Court for the Central District of California.

3. The Commission's complaint alleged that, Sjoblom, using Spyglass, offered and sold to investors memberships in LLCs that would allow access to trading systems and engage in stock trading on behalf of the investors. Sjoblom and Spyglass made baseless performance representations, false statements about the stature and integrity of the investment, misrepresentations about the "systems" supposedly used to trade stock on behalf of investors and misrepresentations about the fees to be charged investors. Investors lost over \$3 million in the scheme.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Sjoblom be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent; 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