

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 93220 / September 30, 2021

INVESTMENT ADVISERS ACT OF 1940
Release No. 5883 / September 30, 2021

ADMINISTRATIVE PROCEEDING
File No. 3 - 20617

In the Matter of

**CHAD THOMAS
MACKLAND,**

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 Chad Thomas Mackland (“Mackland” 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. During most of the period from April 2017 to February 2020, Mackland was associated with various broker-dealers (as a registered representative) and investment advisers (as an investment adviser representative) that were registered with the Commission. Mackland, age 39, is a resident of Council Bluffs, Iowa.

2. On July 9, 2021, the Iowa Insurance Commissioner entered a final order against Mackland (the "Iowa Order") that barred Mackland from applying for registration in Iowa as an investment adviser, investment adviser representative or as a securities agent; permanently revoked his Iowa resident insurance producer license; and permanently prohibited him from engaging in the insurance business in Iowa.¹

3. According to the Iowa Order, the County Attorney's Office in Pottawattamie, Iowa, charged Mackland with multiple felonies related to insurance sales practices. Mackland entered an *Alford* plea² to the charge of Ongoing Criminal Conduct, which involved fraudulent sales practices and/or theft by deception on a continuing basis during the period August 2017 through August 2020. Following his guilty plea, Mackland was sentenced to a deferred judgment.³

IV.

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

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Mackland be, and hereby is, 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.

¹ See *Chad T. Mackland*, Div. Case No. 109487 (Iowa Ins. Comm'r July 9, 2021).

² "An *Alford* plea is a guilty plea," *Abimbola v. Ashcroft*, 378 F.3d 173, 181 (2d Cir. 2004), but it is one in which "the defendant does not confirm the factual basis for the plea." *U.S. v. Sagage*, 542 F.3d 959, 962 (2d Cir. 2008). The name of the plea derives from *North Carolina v. Alford*, 400 U.S. 25 (1970).

³ See Iowa Order. A deferred judgment is "a sentencing option whereby both the adjudication of guilt and the imposition of a sentence are deferred by the court and whereby the court assesses a civil penalty . . . upon the entry of the deferred judgment. The court retains the power to pronounce judgment and impose sentence subject to the defendant's compliance with conditions set by the court as a requirement of the deferred judgment." Iowa Code § 907.1 (2021).

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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman
Secretary