

ADMINISTRATIVE PROCEEDING
File No. 3-18183

Investment Adviser Barred for Misleading Clients In Stock Scalping Scheme

September 15, 2017 – The Securities and Exchange Commission today announced that independent stock analyst and investment adviser Mark A. Gomes, of Miami Beach, Fla., agreed to be barred from the securities industry for at least five years and pay approximately \$273,000 to settle charges that he misled clients and engaged in a brand of securities fraud known as “scalping.”

Scalping is the illegal practice of recommending that others purchase a security and secretly selling the same security contrary to the recommendation. According to the SEC’s order, Gomes sent investment recommendations and stock analyses through three websites, one of which required a paid subscription and offered clients direct contact with Gomes. On at least five occasions between February 2014 and July 2014, Gomes purchased shares in a stock, recommended buying that stock, and then sold shares in his personal accounts within days of his recommendation. Gomes never told his clients that he planned to or was selling his shares.

The SEC’s order finds that Gomes violated Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940. Without admitting or denying the findings in the SEC’s order, Gomes agreed to a cease-and-desist order, to pay disgorgement of \$130,669.90, interest of \$11,882.48, and a civil money penalty of \$130,669.90, and to be barred from the securities industry with a right to apply for reentry after five years.

The SEC’s investigation was conducted by Eric C. Kirsch and was supervised by Elisha L. Frank of the Miami Regional Office. Amie Riggle Berlin assisted the investigation. The SEC appreciates the assistance of the Financial Industry Regulatory Authority.