

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.

SECURITIES AND)
EXCHANGE COMMISSION,)
)
 Plaintiff,)
v.)
)
HAROLD STEVEN)
BONENBERGER and ANGEL)
ACQUISITION CORP., n/k/a)
BIOGERON, INC.,)
)
 Defendants.)
_____)

COMPLAINT

Plaintiff Securities and Exchange Commission alleges as follows:

I. INTRODUCTION

1. From at least December 2009 through March 2010, Defendants Harold Steven Bonenberger and Angel Acquisition Corp., n/k/a Biogeron, Inc. (“Angel Acquisition”) engaged in a fraudulent market manipulation scheme involving the company’s stock.

2. The Defendants paid a bribe to a purported corrupt broker to induce the purchase of shares of Angel Acquisition stock in the open market. A middleman, who helped arrange the deal, claimed to be a friend and business associate of the broker.

3. Unbeknownst to the Defendants, the corrupt broker was a creation of the FBI, and the middleman was a witness cooperating with the FBI.

4. The Defendants engaged in this scheme in an effort to generate the appearance of market interest in Angel Acquisition, induce public purchases of the stock, and artificially increase its trading price and volume.

5. As a result of the conduct described in this Complaint, the Defendants violated Section 17(a)(1) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a)(1); and Section 10(b) and Rule 10b-5(a) and (c) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5(a) and (c). Unless restrained and enjoined, they are reasonably likely to continue to violate the federal securities laws.

6. The Commission respectfully requests that the Court enter: (a) a permanent injunction restraining and enjoining the Defendants from violating the federal securities laws; (b) an order directing the Defendants to pay disgorgement with prejudgment interest; (c) an order directing the Defendants to pay civil money penalties; (d) an order barring Bonenberger from participating in any offering of a penny stock; and (e) an order barring Bonenberger from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

II. DEFENDANTS

7. During the relevant time period, Bonenberger was the president, CEO, and CFO of Angel Acquisition. He resides in Carlsbad, California.

8. During the relevant time period, Angel Acquisition was a Nevada corporation, headquartered in Carson City, Nevada with its executive offices in Carlsbad, California. The company purported to assist private companies in going public as well as being a licensed mortgage broker and developer. Its common stock was quoted on the OTC Link operated by OTC Markets Group, Inc. and OTC Bulletin Board under the symbol “AGEL” at all relevant times. Angel Acquisition’s common stock was registered with the Commission pursuant to

Section 12(g) of the Exchange Act and thereby became subject to Section 13(a) reporting obligations. In or about August 2011, the company changed its name to Biogeron, Inc.

9. In August 2008, Angel Acquisition was permanently enjoined, by consent, from violations of the registration provisions of the federal securities laws. *SEC v. Angel Acquisition Corp., f/n/a Palomar Enterprises, Inc.*, Case No. SACV08-880 (C.D. Calif., Aug. 7, 2008). In the California action, the Commission alleged, among other things, Angel Acquisition violated the registration provisions of the federal securities laws.

10. Angel Acquisition's stock is a "penny stock" as defined by the Exchange Act. At all times relevant to this Complaint, the stock's shares traded at less than \$.0002 per share. During the same time period, Angel Acquisition's stock did not meet any of the exceptions to penny stock classification pursuant to Section 3(a)(51) and Rule 3a51-1 of the Exchange Act. For example, the company's stock did not trade on a national securities exchange and was not an "NMS stock," as defined in 17 C.F.R. § 242.242.600(b)(47). Furthermore, the company did not have net tangible assets (i.e., total assets less intangible assets and liabilities) in excess of \$5,000,000; and did not have average revenue of at least \$6,000,000 for the last three years. *See* Exchange Act, Rule 3a51-1(g).

III. JURISDICTION AND VENUE

11. The Court has jurisdiction over this action pursuant to Sections 20(d) and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(d) and 77v(a); and Sections 21(d) and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d) and 78aa.

12. This Court has personal jurisdiction over the Defendants, and venue is proper in the District, because many of the Defendants' acts and transactions constituting violations of the Securities Act and the Exchange Act occurred in the District. For example, on January 14, 2010,

Bonenberger met with the cooperating witness in Broward County to finalize the scheme. Additionally, Bonenberger arranged for the February 24, 2010 delivery of a stock certificate, via express delivery, to the cooperating witness in Broward County. Bonenberger also made telephone calls to the cooperating witness in the District.

13. The Defendants, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce, or of a means or instrumentality of interstate commerce, or of the mails, in connection with the conduct alleged in this Complaint.

IV. THE FRAUDULENT SCHEME

Market Manipulation and Bribe

14. From at least December 2009 through March 2010, Bonenberger and the cooperating witness discussed, through phone calls and e-mails, possible fraudulent market transactions involving Angel Acquisition's common stock, in order to create the false impression the stock was developing an active public market and a rising stock price.

15. According to the scheme, a corrupt broker - a friend of the middleman - would use money held in his customers' discretionary accounts to buy publicly-traded shares of Angel Acquisition stock in the open market. The stock purchases would be "coordinated" or "timed" with press releases Bonenberger would issue on behalf of the company.

16. In exchange, Bonenberger would pay the broker one share of Angel Acquisition stock for every three shares the broker purchased in the open market. Before beginning the scheme, Bonenberger would provide the broker with a "good faith deposit" of \$5,000 of free trading shares of Angel Acquisition stock. In order to conceal the good faith deposit, Bonenberger would issue the shares to the broker's girlfriend.

17. On January 14, 2010, Bonenberger met with the cooperating witness in Broward County to discuss details of the scheme. At the meeting, the cooperating witness described to Bonenberger how the illicit market trading program involved staying “under the radar,” and “where you’re working the market, but you’re not raising eyebrows.”

18. The cooperating witness reiterated to Bonenberger the broker liked to “time” his market purchases with company press releases and Angel Acquisition would need to issue a press release either the day before, of, or after the start of the market program. The cooperating witness also told Bonenberger the broker wanted to see the first press release before it came out as well as a schedule of press releases Angel Acquisition would issue over the course of the market program.

19. The cooperating witness told Bonenberger that if the broker’s compliance department questioned his purchases of Angel Acquisition stock, the broker would be able to point to the press releases. Bonenberger agreed to have press releases available.

20. When they discussed what price the stock might reach, Bonenberger told the cooperating witness he was “pretty confident” the broker’s buying would raise the price of Angel Acquisition stock to between half a cent to a penny. Bonenberger said he was “hoping the stock price will go to 2 or 3 or 4 cents.”

21. The cooperating witness explained to Bonenberger that after two weeks, the broker would provide him with a reconciliation of the broker’s stock purchases, which he would then forward to Bonenberger. The broker would then expect Bonenberger to make an inducement payment of 33% of all purchases, in the form of Angel Acquisition stock issued in the broker’s girlfriend’s name. Two weeks later, the broker would provide a second reconciliation and expect to receive additional Angel Acquisition stock in return.

22. After a series of telephone calls, emails, and the January 14 meeting, Bonenberger and the cooperating witness agreed the broker would buy \$300,000 worth of Angel Acquisition stock in the open market. The purchases would occur over the course of approximately a month, beginning March 2, and Bonenberger would pay the broker one third of the amount purchased, or \$100,000, worth of the company's free trading stock.

23. On February 24, 2010, as Bonenberger had previously agreed, Angel Acquisition issued a deposit of 27 million shares of free trading stock in the broker's girlfriend's name.

24. Days later, on March 2, the FBI purchased a total of 8 million shares of Angel Acquisition stock in the open market at \$.0001, for a total cost of \$800.

COUNT I

Fraud In Violation of Section 17(a)(1) of the Securities Act

25. The Commission realleges and incorporates paragraphs 1 through 24 of its Complaint.

26. From at least December 2009 through March 2010, the Defendants, directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by use of the mails, in the offer or sale of securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

27. By reason of the foregoing, the Defendants, directly and indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

COUNT II

Fraud in Violation of Section 10(b) and Rule 10b-5(a) and (c) of the Exchange Act

28. The Commission realleges and incorporates paragraphs 1 through 24 of its Complaint.

29. From at least December 2009 through March 2010, the Defendants, directly and indirectly, by use of the means and instrumentalities of interstate commerce, and of the mails in connection with the purchase or sale of securities, knowingly, willfully or recklessly:

- (a) employed devices, schemes or artifices to defraud; or
- (b) engaged in acts, practices and courses of business which have operated, are now operating and will operate as a fraud upon the purchasers of such securities.

30. By reason of the foregoing, the Defendants, directly or indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5(a) and (c), 17 C.F.R. § 240.10b-5(a) and (c).

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court:

I.

Declaratory Relief

Declare, determine, and find that the Defendants have committed the violations of the federal securities laws alleged in this Complaint.

II.

Permanent Injunctive Relief

Issue a Permanent Injunction restraining and enjoining the Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating Section 17(a)(1) of the Securities Act and Section 10(b) and Rule 10b-5(a) and (c) of the Exchange Act, as indicated above.

III.

Disgorgement

Issue an Order directing all Defendants to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

IV.

Penalties

Issue an Order directing the Defendants to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d); and Section 21(d) of the Exchange Act, 15 U.S.C. § 78(d)(3).

V.

Penny Stock Bar

Issue an Order barring Bonenberger from participating in any offering of penny stock, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), for the violations alleged in this Complaint.

VI.

Officer and Director Bar

Issue an Order pursuant to Section 20(e) of the Securities Act and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 77t(e) and 15 U.S.C. § 78u(d)(2), barring Bonenberger from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

VII.

Further Relief

Grant such other and further relief as may be necessary and appropriate.

VIII.

Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Respectfully submitted,

June 4, 2012

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