

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934
Release No. 70319/September 4, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15310

In the Matter of

RICARDO BONILLA ROJAS : ORDER MAKING FINDINGS AND
: IMPOSING SANCTIONS BY DEFAULT

SUMMARY

This Order bars Ricardo Bonilla Rojas (Bonilla Rojas) from the securities industry.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on May 1, 2013, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). The OIP alleges that Bonilla Rojas was enjoined against violations of the antifraud and registration provisions of the federal securities laws. Bonilla Rojas was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) on July 9, 2013, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 2; 17 C.F.R. § 201.220(b). He has not filed an Answer to date or otherwise defended the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Therefore, Bonilla Rojas is in default, and the undersigned finds that the allegations in the OIP are true as to him.¹ See OIP at 2; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

Bonilla Rojas, of Arecibo, Puerto Rico, is permanently enjoined from violating the antifraud and registration provisions: Sections 5 and 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. SEC v. Bonilla Rojas, No. 3:12-cv-01681-JAF (D.P.R. Apr. 12, 2013). Additionally, he and a co-defendant, jointly and severally, were ordered to pay disgorgement of \$7,200,000 plus prejudgment interest of \$1,164,820 and a civil penalty in an amount to be determined. Id. In the wrongdoing underlying his injunction, which occurred from at least 2005 to 2009, Bonilla Rojas engaged in a Ponzi scheme, misappropriated

¹ Bonilla Rojas was advised that if he failed to file an Answer within the time provided, he would be deemed to be in default, and the undersigned would enter an order barring him from the securities industry. See Ricardo Bonilla Rojas, Admin. Proc. No. 3-15310 (A.L.J. July 30, 2013) (unpublished).

investor funds, falsely stated to investors that their investment was guaranteed as to principal, sent out false account statements indicating that investors funds were fully invested and earning positive returns, and otherwise engaged in a variety of conduct that operated as a fraud and deceit on investors. He also sold unregistered securities and acted as an unregistered broker-dealer. Bonilla Rojas was not registered with the Commission in any capacity or associated with a registrant.

III. CONCLUSIONS OF LAW

Bonilla Rojas has been permanently enjoined “from engaging in or continuing any conduct or practice in connection with any such activity” as a broker or dealer within the meaning of Sections 15(b)(4)(C) and 15(b)(6)(A)(iii) of the Exchange Act.

IV. SANCTIONS

Bonilla Rojas will be barred from the securities industry.² This sanction will serve the public interest and the protection of investors, pursuant to Section 15(b) of the Exchange Act, and accord with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Bonilla Rojas’s unlawful conduct was recurring and egregious.

V. ORDER

IT IS ORDERED that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, 15 U.S.C. § 78o(b), RICARDO BONILLA ROJAS IS BARRED from associating with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization and from participating in an offering of penny stock.³

Carol Fox Foelak
Administrative Law Judge

² The fact that Bonilla Rojas was not associated with a registered broker-dealer during his wrongdoing does not insulate him from a bar. See Vladislav Steven Zubkis, Exchange Act Release No. 52876 (Dec. 2, 2005), 86 SEC Docket 2618, 2627, recon. denied, Exchange Act Release No. 53651 (Apr. 13, 2006), 87 SEC Docket 2584 (barring unregistered associated person of an unregistered broker-dealer from association with a broker or dealer).

³ Thus, he will be barred from acting as a promoter, finder, consultant, or agent; or otherwise engaging 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, pursuant to Exchange Act Section 15(b)(6)(A), (C).