

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 71012 / December 6, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15637

In the Matter of

MICHAEL ANTHONY GONZALEZ,

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 Michael Anthony Gonzalez (“Gonzalez” 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, 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. Gonzalez operated a purported bond portfolio management business out of his home using two different business names, Michael Gonzalez INV and Michael Gonzalez Investments. In 1994, Gonzalez obtained his Series 7 Securities license. From 1994 to 2001, Gonzalez was a registered representative associated with broker-dealers registered with the Commission. In 2003, both the NASD (now FINRA) and the NYSE barred Gonzalez from associating with their member firms for misuse of client funds. Gonzalez, 48 years old, is a resident of Pasadena, California.

2. On November 13, 2013, a final judgment was entered by consent against Gonzalez, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder in the civil action entitled *Securities and Exchange Commission v. Michael Anthony Gonzalez*, Case No. CV 12-03319 FMO in the United States District Court for the Central District of California.

3. Gonzalez held himself out as a bond portfolio manager through solicitations in a local magazine and directly to friends and acquaintances. Between February 2010 and April 17, 2012, when the Commission filed an emergency action against him, Gonzalez raised at least \$1 million from approximately twenty investors, by falsely claiming to purchase specific California municipal bonds on behalf of those investors. In fact, Gonzalez did not purchase the bonds; instead he concealed his securities fraud with fake confirmations and receipts. Gonzalez also lured investors by touting his prior association with well-known broker-dealers while omitting to disclose that he had been barred by both NASD and the NYSE from associating with their member brokerage firms. Gonzalez also lied to investors claiming he was currently associated with a New York based registered broker-dealer which provided investor protection through the Securities Investor Protection Corporation when he was not. In fact, Gonzalez was operating a Ponzi scheme, and failed to repay investors as the bonds he sold them reached their purported maturity dates.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Gonzalez 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; 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