

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 71928 / April 10, 2014

ADMINISTRATIVE PROCEEDING
File No. 3 - 15834

In the Matter of

RONALD E. WALBLAY,

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 Ronald E. Walblay (“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 Exchange Act, 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. Walblay is the President, Chief Executive Officer, and Chief Compliance Officer of Energy Securities, Inc. ("Energy Securities"), an Illinois corporation that operated as a broker-dealer headquartered in Boca Raton, Florida. Energy Securities filed a request for withdrawal of its registration as a broker-dealer on November 22, 2011. The Commission deemed the withdrawal effective on January 21, 2012, and FINRA did so on January 23, 2012. During the relevant period Walblay also was the sole owner and officer of RyHolland Fielder, Inc. ("RyHolland"). Walblay, 58 years old, is a resident of Delray Beach, Florida.

2. On April 3, 2014, a final judgment was entered by consent against Walblay, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Ronald E. Walblay, et al., Civil Action Number 9:13-cv-80978, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that Walblay, RyHolland, and Energy Securities raised more than \$12 million from more than 195 U.S. and foreign investors through unregistered offerings in five oil and gas limited partnerships. The purported purpose of the offerings was to fund oil and gas exploration and drilling projects in the U.S. In his role as owner and president, Walblay participated in drafting, and approved, the offering memoranda given to investors. Walblay also approved and appeared in sales videos that RyHolland and Energy Securities distributed to investors or were available online, including on YouTube. Additionally, Walblay drafted or approved sales brochures and projections of the taxable income and rates of return investors might expect which ranged from 0% to 2270.71% over a fifteen-year period depending upon the particular offering. The complaint alleges these projections lacked any reasonable basis and were based on grossly exaggerated production rates. The complaint also alleges Walblay, RyHolland, and Energy Securities failed to use money raised in connection with four of the offerings in accordance with the use of proceeds statements set forth in the offering memoranda and otherwise engaged in a variety of conduct which operated as a fraud on investors.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Ronald E. Walblay 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

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.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

For the Commission, by its Secretary, pursuant to delegated authority.

Jill M. Peterson
Assistant Secretary