

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 79990 / February 8, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-17835

In the Matter of

DARREN GOODRICH,

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 Darren Goodrich (“Goodrich” 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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraph III.2., III.4, and III.6 and 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. Goodrich, age 38, is a California resident. He holds series 7, 55, and 63 licenses and was employed from 2001 to September 2015 as a market maker and a registered representative at BMA Securities, Inc. ("BMA Securities"), a registered broker-dealer.

2. On June 27, 2016, Goodrich pleaded guilty to one count of conspiracy to commit securities fraud in violation of 18 United States Code, Section 371, before a Magistrate Judge in the United States District Court for the Eastern District of New York, in United States v. A.J. Discala, et al., 14 Cr. 399 (S-1)(ENV).

3. The count to which Goodrich pleaded guilty alleged, among other things, that while associated with BMA Securities, Goodrich engaged in a scheme to artificially inflate the price and volume of Cubed, Inc. securities through planned manipulative trading in April and May 2014.

4. On August 10, 2016, Goodrich entered into a written agreement to plead guilty to one count of conspiracy to commit securities fraud in violation of 18 United States Code, Section 371, before the United States District Court for the Eastern District of New York, in United States v. Darren Goodrich, No.16 Civ. 630 (ENV).

5. The count to which Goodrich agreed to plead guilty alleges, among other things, that while associated with BMA Securities, Goodrich engaged a scheme to artificially inflate the price and volume of the securities of four issuers: BioNeutral Group, Inc. ("BONU"), NXT Nutritionals Holdings, Inc. ("NXT"), Clear-Lite Holdings, Inc. ("ClearLite") and Mesa Energy Holdings, Inc. ("Mesa") (collectively, the "Issuers").

6. On February 1, 2017, a final judgment was entered by consent against Goodrich, permanently enjoining him from future violations of Section 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled SEC v. DelPresto, et al., No. 15 Civ. 8656 (JLL) in the United States District Court for the District of New Jersey.

7. The Commission's Second Amended Complaint alleged, among other things, that while associated with BMA Securities, Goodrich participated in a fraudulent scheme to manipulate the securities of the Issuers. The complaint further alleged that, using his position as a market maker and a registered representative, Goodrich engaged in a series of transactions designed to inflate the Issuers' stock price and create the artificial appearance of liquidity and demand for the Issuers' securities.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act Respondent Goodrich 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.

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.

Brent J. Fields
Secretary