

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86702 / August 16, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19359

In the Matter of

Carl Ruderman,

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 Carl Ruderman (“Respondent” or “Ruderman”).

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 paragraph 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 and 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. At all relevant times, Ruderman was chairman and chief executive officer of 1 Global Capital, LLC ("1 Global") and maintained operational control over 1 Global, which acted as an unregistered broker. Ruderman has never been registered or associated with a registered broker-dealer. Ruderman, 78, is a resident of Aventura, Florida.

2. On August 12, 2019, a Final Judgment was entered by consent against Ruderman, among other things permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 ("Securities Act"), and Sections 10(b), 15(a)(1), and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, in the civil action entitled *Securities and Exchange Commission vs. Ruderman, et al.*, 18-cv-61991, in the United States District Court for the Southern District of Florida.

3. The Commission's amended complaint alleged that from no later than February 2014 through July 27, 2018, Ruderman, through 1 Global, in an unregistered offering, raised \$287 million from more than 3,400 investors nationwide to fund 1 Global's business of offering short-term financing to small and medium-sized businesses. Many of the investors were elderly and used their retirement savings to invest. The amended complaint further alleged that Ruderman and 1 Global misrepresented the returns investors were earning, misrepresented the work an independent accounting firm was purportedly doing for 1 Global, and also alleged Ruderman misappropriated more than \$28 million in investor funds for personal expenses and to send to companies he and his relatives owned and controlled.

4. Finally the amended complaint alleged Ruderman caused 1 Global to recruit and hire a nationwide network of sales agents to offer and sell 1 Global's notes to the public, and that Ruderman also caused 1 Global to pay the sales agents substantial, transaction-based commissions. Neither Ruderman nor 1 Global were associated with Commission-registered broker dealers, and very few of the sales agents were so associated.

IV.

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

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

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Ruderman be, and hereby is, 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.

Vanessa A. Countryman
Secretary