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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, vs. FRANCISCO JAVIER SARABIA, Defendant.	Case No. 8:26-cv-02542 **COMPLAINT** **DEMAND FOR JURY TRIAL**

Plaintiff Securities and Exchange Commission ("SEC") alleges the following against Defendant Francisco Javier Sarabia ("Sarabia" or "Defendant").

JURISDICTION AND VENUE

1. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1) and 22(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §§ 77t(b), 77t(d)(1) & 77v(a)], and Sections 21(d)(3)(A), 21(e) and 27(a) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §§ 78u(d)(1), 78u(d)(3)(A), 78u(e), &78aa(a)].

2. Sarabia has, in connection with the transactions, acts, practices and courses of business alleged in this Complaint, directly or indirectly, made use of the means or instruments of interstate transportation or communication in interstate commerce, or of the mails, by, among other means, soliciting investments via the internet and obtaining investor funds through bank wires.

3. Venue is proper in this district pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Section 27(a) of the Exchange Act [15 U.S.C. § 78aa(a)] because many of the acts and transactions constituting violations of the federal securities laws occurred within the district, including, but not limited to, in-person meetings that Sarabia conducted with investors at the Beverly Hills office of Bonanza Global Solutions Limited Liability Company ("Bonanza Global") and the misappropriation of investor funds through banks located within this district. Venue is also proper in this district because Sarabia resides in this district. Moreover, the promissory notes issued by Bonanza Global specifically state that "[e]ach of the Parties consents to the jurisdiction of the federal courts located in Los Angeles County, State of California."

SUMMARY

4. From approximately February 2022 through March 2023 (the "Relevant Period") Sarabia and his business partner, through their company, Bonanza Global, raised over $5 million from more than 350 investors through the unregistered offer

and sale of promissory notes in a fraud that targeted Spanish-speaking and Filipino investors.

5. On Bonanza Global websites as well as on YouTube videos, Sarabia promised investors that their money would be invested in stock market trading, forex trading (foreign currency trading), petroleum oil and other investments, which would generate returns of 10% to 15% or more ***per month***. Sarabia misled investors with false claims about how Bonanza Global would use investor funds, about the safety of investing with Bonanza Global and about the "money back guarantee" he promised to investors.

6. However, Bonanza Global was a fraud. Bonanza Global did not produce any revenue. Instead, the primary source of money coming into the Bonanza Global bank accounts was from investors. After receiving investors' money, Sarabia and his business partner did not use these funds to trade securities, or for any of the purposes that Bonanza Global represented to investors. Rather, Sarabia and his business partner misused investor money. Sarabia used investor money to buy luxury items at exclusive retail stores like Gucci, Dolce & Gabbana, and Versace, to travel to Las Vegas to gamble, to stay at high-end hotels, and to frequent numerous bars, nightclubs and restaurants in Las Vegas and elsewhere. Investor funds were used to pay promoters who brought additional investors to Bonanza Global and to make payments to earlier investors in a Ponzi-like fashion.

7. Sarabia and his business partner lived a lavish lifestyle at the expense of their investors and, by March 2023, Bonanza Global had run out of money.

8. By engaging in the conduct above, Sarabia violated Section 17(a) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Exchange Act Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]. Sarabia additionally violated Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. § 77e(a) and 77e(c)].

THE DEFENDANT

9. **Francisco Javier Sarabia, also known as Jose Luis Perez-Garate ("Sarabia")**, age 60, is a resident of Tustin, California. In a YouTube video promoting Bonanza Global, Sarabia identified himself to investors as "the President [and] Founder of Bonanza Global Solutions." Sarabia and his business partner had sole signatory authority for the bank accounts in the name of Bonanza Global.

RELEVANT ENTITY

10. **Bonanza Global Solutions Limited Liability Company** is a limited liability company formed in California on February 24, 2022. Its principal place of business was in Beverly Hills, California. From its formation in February 2022 to the present, Bonanza Global has had no discernable source of income or revenue. Rather, virtually all of its funds appear to have come from investors. Neither Bonanza Global nor its securities offerings are registered with the Commission.

FACTUAL BACKGROUND

A. Sarabia Raised Money from Investors Through Promissory Notes Issued by Bonanza Global

11. On its websites (the "Bonanza Global Websites") and in YouTube videos, Bonanza Global presented itself to prospective investors as a "hedge fund" and "private equity firm" and invited them to invest money their funds. Bonanza Global claimed it would "use pooled funds and employ different strategies, to earn attractive returns for their investor."

12. The Bonanza Global Websites and YouTube videos represented to prospective investors that, within 24 to 72 hours, they would "receive an email from Bonanza Global with a promissory note which you have to sign and return back to Bonanza Global."

13. After investors expressed interest, Sarabia, through Bonanza Global, arranged to send notes to each investor. These promissory notes were investment contracts that identified the investment amount, the promised return (between 10%

and 15% per month) and the date when the return would be paid.

14. During the Relevant Period, interested investors sent money to Bonanza Global by either making deposits with, or by wiring money directly to, bank accounts in the name of Bonanza Global.

15. The Bonanza Global Websites featured a biography and picture of Sarabia and identified him as the "President/Co-founder" of Bonanza Global. Sarabia had control over the content that was published on the Bonanza Global Websites and YouTube videos.

B. The Promissory Notes Issued by Bonanza Global Were Securities

16. The promissory notes offered and sold by Bonanza Global meet the definition of a security.

17. Sarabia promoted the notes to raise money for Bonanza Global's investment business.

18. Investors were primarily motivated by the generation of profits – 10% to 15% per month – when investing in Bonanza Global promissory notes.

19. Investors in Bonanza Global reasonably expected that they were making an investment. Indeed, the promissory notes issued by Bonanza Global stated that "[t]he Holder of the Note, by acceptance hereof, agrees that this Note is being acquired for investment…"

20. Sarabia, through Bonanza Global, offered, sold, and distributed the notes to over 350 members of the public living in various states, including investors residing in California, Rhode Island and Texas, through videos and websites available on the internet.

21. Investors in Bonanza Global wired money into the Bonanza Global bank accounts in exchange for the promissory notes.

22. Bonanza Global represented to investors that their money would be pooled together for the purpose of making investments and records for the Bonanza Global bank accounts show that investor funds were in fact pooled together.

23. Bonanza Global investors were passive investors with no involvement in Bonanza Global's investment activity.

24. Based on the representations made by Sarabia and his business partner about the investment in Bonanza Global, investors relied entirely on the efforts of Bonanza Global, which claimed that investor money would be invested based on Bonanza Global's unique trading and hedging strategy.

25. Bonanza Global promised significant returns of at least 10% per month to those who invested in Bonanza Global and investors would only receive those returns as a result of the efforts of Sarabia and his business partner, who promised to use investor funds for trading and other investments.

26. As alleged above, some of the pooled funds were used to make payments to other investors.

27. Based on Sarabia's representations to them, investors in Bonanza Global reasonably believed that Sarabia and his business partner were wholly responsible for deriving the returns promised by Bonanza Global.

28. The fortunes of Sarabia and his business partner were tied to those of the Bonanza Global investors since they would profit, and in fact did profit, from the money invested in Bonanza Global.

C. Sarabia Obtained Money from Investors Through Publicly Available Websites and Videos Accessible Through the Internet

29. Sarabia, through Bonanza Global, encouraged investors to invest their money through Bonanza Global's publicly available websites, which have now been taken offline.

30. In addition to soliciting investors through the Bonanza Global Websites, Bonanza Global, Sarabia and his business partner also solicited investors through numerous videos posted on YouTube between July 2022 and March 2023 where they spoke about the benefits and safety of investing funds with Bonanza Global. These YouTube videos emphasized that Bonanza Global was headquartered in Beverly

Hills, California.

31. For example, in a video posted to YouTube on or about September 8, 2022, investors were encouraged to invest with Bonanza Global through a number of testimonials from alleged investors in Bonanza Global who reassured investors about the reliability and legitimacy of Bonanza Global.

32. After watching these videos, investors often invested their money in Bonanza Global.

33. In addition, Bonanza Global told investors that they would receive sales commissions or bonuses if they brought in additional investors in a multi-level marketing fashion. For example, Bonanza Global promotional materials stated that Bonanza Global would pay commissions of 10% to those who brought in investors and, if those investors brought in a second level of investors, the promoting investors would receive a "direct bonus second level" commission of 5%.

D. Bonanza Global Targeted Spanish-Speaking and Filipino Investors

34. Much of the Bonanza Global solicitations were focused on Spanish-speaking investors.

35. For example, Sarabia and his business partner gave presentations to potential investors at the Beverly Hills office of Bonanza Global in Spanish, provided investors with brochures in both English and Spanish and advertised Bonanza Global on social media spaces that targeted Spanish speakers. In September 2022, Bonanza Global announced that it would be launching a corporate office in Mexico City.

36. Bonanza Global was also marketed to Filipino investors. Bonanza Global used promoters from the Filipino community to solicit investors in Bonanza Global, including at a San Francisco conference organized and attended predominantly by people of Filipino descent.

37. In June 2022, Bonanza Global held an event in the Philippines and informed investors that it was going to "begin our first chapter of the legality and the formation of Bonanza in the Philippines." Bonanza Global later claimed to have

opened an office in the Bonifacio Global City district in the Philippines.

E. Sarabia Portrayed Himself as a Successful Business Professional

38. Sarabia and his business partner rented an office in Beverly Hills, California, where they met with potential investors and showed them computer screens that purportedly showed investor assets being profitably traded. The Bonanza Global office in Beverly Hills was also prominently featured in videos uploaded to YouTube, including one in which Sarabia boasts to potential investors that Bonanza Global is located "on top of the Bank of America in the financial industry site."

39. The existence of the office in Beverly Hills, California led investors to believe Bonanza Global was a legitimate and profitable company.

40. In addition, Sarabia assured investors that he and his business partner had significant business acumen and extensive experience managing substantial investor funds while failing to tell investors about their prior criminal conduct.

41. In a video uploaded to YouTube on September 8, 2022, Sarabia told investors that he had "been in the financial services industry for over 15 years. I have owned several businesses on my own. I had insurance companies, I had investment companies. I have done consulting for other companies in the past."

42. Sarabia stated that he "has led companies internationally, taking them to high standards of financial growth with commitment and leadership." Sarabia also boasted that Bonanza Global had "a good risk management team."

43. In reality, both Sarabia and his business partner had previously been charged with defrauding investors, which Sarabia concealed from investors. Specifically, in June 2012, the state of California charged Sarabia and his business partner for, among other things, violating California Corporation Code Section 25401 for selling securities and making an untrue statement of material fact and omitting to state a material fact necessary in order to make the statement made. In July 2014, both Sarabia and his business partner pled guilty to multiple violations of California Penal Code Section 487(a). They were each sentenced to four years in prison and

were collectively ordered to pay over $1 million in restitution to their victims.

F. Sarabia Misappropriated Bonanza Global Investor Funds

44. From February 2022 through at least March 2023, investors sent over $5 million to Bonanza Global, primarily by wire and by Zelle transfers, to a bank account in the name of "Bonanza Global Solutions Limited Liability" in Beverly Hills, California.

45. Sarabia and his business partner were the only persons with signatory authority over the primary bank account used by Bonanza Global, as well as the additional bank accounts they opened using variations of the name Bonanza Global. Sarabia regularly signed withdrawal slips and he discussed transactions involving the Bonanza Global bank accounts with bank representatives. Sarabia also had a Bonanza Global credit card that he used for personal expenses.

46. Of the $5 million in investor funds, Sarabia's business partner misused approximately $3.5 million.

47. Of the remaining $1.5 million of investor funds, Sarabia personally misappropriated at least $825,000. Among other things, Sarabia used investor money to buy luxury items at exclusive retail stores, including Gucci, Dolce & Gabbana, and Versace, to travel to Las Vegas to gamble, to stay at high-end hotels, and to frequent numerous bars, nightclubs and restaurants in Las Vegas and elsewhere.

G. Sarabia Obtained Money from Investors by Making False and Misleading Statements

1. Sarabia Made Misrepresentations About the Use of Investor Funds

48. The Bonanza Global promissory notes misrepresented that note holders would be repaid their principal based on various types of investments that would be made for the benefit of Bonanza Global's investors.

49. In a video posted to YouTube on September 8, 2022, Sarabia falsely claimed that "[w]e have some of the best traders in the – in the industry."

50. These representations were false. In fact, Bonanza Global did not employ any traders and investor funds were not used for making any of the types of investments listed in the promissory notes.

2. Sarabia Falsely Claimed that Funds Would be Safely Invested and Promised Investors a Money Back Guarantee that Did Not Exist

51. Sarabia published a letter on the Bonanza Global Websites throughout the Relevant Period stating that "Bonanza Global Solutions, LLC, is so confident that your participation will be the best experience of your life that <u>we are willing to offer you an 80 percent money back guarantee in writing</u>" (emphasis added). Sarabia's letter to investors further states that investors could request a return "if at any point in the process of you being a member of Bonanza you feel uncomfortable or an emergency has come up that you need immediate access to your funds." Sarabia also promised investors that in the event that "a death has occurred in the immediate family <u>…. a full 100 percent refund will be issued</u>" (emphasis added).

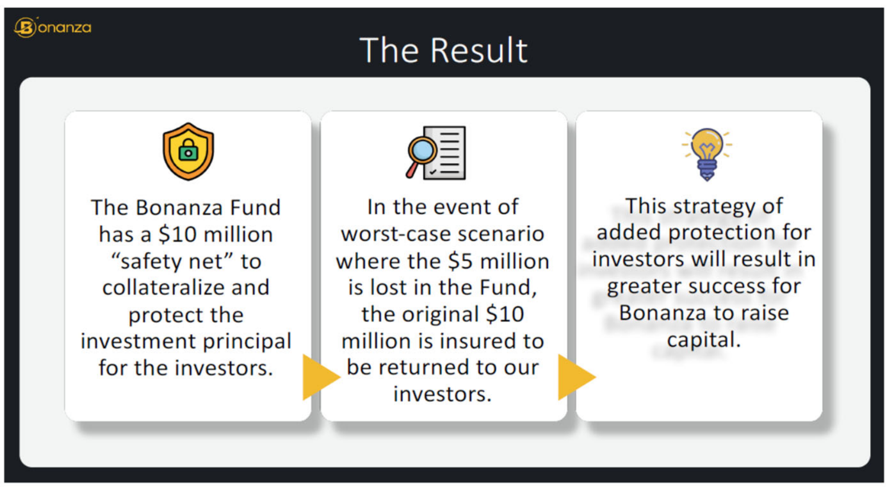
52. Sarabia told investors on a video posted to the internet on March 4, 2023 that he and his business partner were "assuming the responsibility you entrust on us to manage your money." He added that: "We have a solid plan. We will only raise $300 million and stop receiving new members for that plan. That allows us to properly manage and make sure everybody makes money. But more important, ***no one loses their investment***" (emphasis added).

53. The Bonanza Global Websites also stressed to investors that their investment would be safe because "Bonanza has developed an investment methodology that can secure all or part of an investment against potential loss or diminution in value irrespective of the performance of your investment" and Bonanza Global has "tangible insurance assets that fully secure their investment."

54. Bonanza Global informed investors that approximately 50% of the money invested in Bonanza Global would be used to purchase life settlement

policies. Bonanza Global stated that "[a] Life Settlement is simply the purchase of a life insurance policy at a discount to the face value of the policy. The sellers of the policies are typically financially sophisticated individuals or trusts who purchased life insurance policies for estate planning or other financial purposes and no longer want or need the coverage."

55. As set forth in the screenshot below, Bonanza Global informed investors on its website that, as a result of the purchase of life settlements, Bonanza Global would have "a $10 million 'safety net'".



56. Additionally, Sarabia personally met with investors and told them that their investment in Bonanza Global would be "insured."

57. However, no investor funds were used to purchase or invest in life settlements. Moreover, no portion of the investor funds, let alone half of investor funds, were insured in any manner.

3. Bonanza Global Falsely Represented that the Offering Was Registered with the SEC

58. Bonanza Global caused a video to be posted to YouTube on July 9, 2022 stating that "Bonanza's a very responsible company" and that it had "all their I's dotted and their T's crossed, right." Bonanza Global also claimed in another video

posted to YouTube that it had registered its offering with the SEC. Bonanza Global stated that investors could review the "SEC documentation" via email or in person at the Beverly Hills office of Bonanza Global.

59. Despite these representations, the Bonanza Global offering was never registered with the SEC.

60. The Bonanza Global securities were offered and sold through interstate commerce, including through the mail and the internet, and many investors provided their funds through bank wire transfers, which traveled through interstate wires.

61. Bonanza Global, as the issuer of the securities, directly offered and sold securities through general solicitation, including through YouTube videos posted on the internet, through the Bonanza Global Websites described above, and through in-person meetings and conferences with potential investors. Utilizing these methods, over $5 million was raised for the Bonanza Global offering.

62. Bonanza Global offered and sold securities to investors residing outside of California, including in Rhode Island and Texas.

63. Sarabia is liable for Bonanza Global's offer and sale of securities because Sarabia, along with his business partner, controlled Bonanza Global and Sarabia had control and authority over the business of Bonanza Global. Sarabia, along with his business partner, had signatory authority over the Bonanza Global bank accounts.

4. Sarabia's False and Misleading Statements Were Material

64. The above false and misleading statements as to the use of investor proceeds were material to investors and potential investors.

65. A reasonable investor would want to know that their proceeds were not being used for the purposes Sarabia had represented.

66. The misrepresentations about the "money back guarantee" and that Bonanza Global maintained an 80% reserve or "safety net" were also material to investors and to prospective investors, as a reasonable investor would want to know

whether an investment was safe and secure and a reasonable investor would want to know whether they could receive at least 80% of their principal back at any time, as promised by Sarabia.

67. Finally, Bonanza Global's false claims that the offering was registered with the SEC were material to investors, as a reasonable investor would have wanted to know that Bonanza Global's offerings had never been registered with the SEC.

5. Sarabia's False and Misleading Statements Occurred "In the Offer or Sale" and Were "In Connection with the Purchase or Sale" of the Securities

68. The false and misleading statements alleged herein were made by Sarabia in order to induce investors to invest their money with Bonanza Global.

69. For example, the false and misleading statements described above were made in YouTube videos posted to the internet and through other social media, which directed potential investors to invest money by accessing the Bonanza Global Websites.

70. Through the Bonanza Global Websites, Bonanza Global offered and sold securities in the form of a promissory note.

71. The false and misleading statements alleged above were made on YouTube videos and on the Bonanza Global Websites that were viewed by potential investors at the time they were deciding whether to invest in Bonanza Global and these false and misleading statements were made in order to induce investors to invest their money with Bonanza Global.

H. After Bonanza Global Collapsed, Sarabia Concealed the Fraud from Investors

72. In December 2022, Bonanza Global began having difficulty paying investors the returns Bonanza Global had promised. At that time, Sarabia and his business partner began telling investors in Bonanza Global that they were delayed in making payments but were in the process of obtaining funds.

73. Later that month, Sarabia sent out a message in Spanish to investors in which he promised that all returns would be paid "before the end of the year."

74. After failing to repay investors by the end of 2022, Bonanza Global continued to mislead investors by promising them that they would be repaid and by proffering a variety of excuses. Among other things, Bonanza Global told investors that it was "having a slow time with the institutions in order to release our capital so that we may begin the payment program…" but would make payments by March 10, 2023.

75. In June 2023, Bonanza Global created a new website, bonanzapayment.com, which falsely informed investors that "[t]his website has been created to be our payment portal for future payments to be distributed to our valued clients. This month of June 2023 we will begin to pay the balance of what's owed on initial principal."

76. Although this website directed investors to submit information about their investment and proof of the money they had invested, Bonanza Global did not have sufficient funds to repay any of the investors because the Bonanza Global bank accounts had a negative balance in June 2023.

77. Despite these frequent promises to repay, neither Sarabia nor Bonanza Global repaid investors. Instead, the promises to repay were means to continue concealing their fraudulent scheme.

I. Sarabia Engaged in Deceptive Acts in Furtherance of the Scheme to Defraud

78. Sarabia committed deceptive acts in furtherance of the fraud. Among other things, he:

a. Misappropriated investor funds from the Bonanza Global bank accounts (over which Sarabia had signatory authority) for his personal use;

b. Used investor funds to pay other investors, in a Ponzi-like fashion;

c. Made and disseminated the materially false and misleading statements described above;

d. Engaged in deceptive measures to give Bonanza Global the appearance of a legitimate investment entity; and

e. After Bonanza Global collapsed, lulled investors through false promises that they would be repaid.

J. Sarabia Acted with Scienter

79. As one of the owners of Bonanza Global, Sarabia knew, or was reckless in not knowing, that Bonanza Global did not make the investments it represented to investors, including that it successfully traded securities and foreign currency.

80. Because Sarabia was one of two signatories for the Bonanza Global investor bank accounts and had control over investor funds, he knew, or was reckless in not knowing, that investor funds were being misused and misappropriated.

81. Further, because Sarabia was responsible for promoting Bonanza Global via the Bonanza Global Websites, through multiple videos posted on YouTube and through in-person meetings with investors, and also signed the money-back guarantee to investors, Sarabia acted knowingly or recklessly in making misrepresentations about how investor proceeds would be used, the safety of investor funds, the returns promised to investors, and that the money back guarantee he promised was untrue.

FIRST CLAIM FOR RELIEF

Sale of Unregistered Securities

Violations of Sections 5(a) and 5(c) of the Securities Act

[15 U.S.C. § 77e(a) and 77e(c)]

82. The SEC realleges and incorporates by reference in this claim for relief all of the allegations set forth above in paragraphs 1-81, as if they were fully set forth herein.

83. The promissory notes offered and sold by Sarabia were securities under Section 2(a)(1) of the Securities Act [15 U.S.C. § 77b(a)(1)] and Section 3(a)(10) of the Exchange Act [15 U.S.C. § 77c(a)(10)].

84. Bonanza Global's offer and sale of securities were not registered with the SEC and the securities were offered and sold through interstate commerce. There was no registration statement in effect or filed with the SEC with respect to the offering.

85. No exemption applied to the Bonanza Global offering. Sarabia, acting through Bonanza Global, engaged in general solicitation, including in-person conferences and meetings as well as using YouTube videos and websites to promote the Bonanza Global offering. In addition, Sarabia failed to take reasonable steps to verify whether investors qualified as accredited investors.

86. Bonanza Global notes were sold to investors residing outside of California and the United States.

87. Sarabia is liable under Section 5 of the Securities Act for Bonanza Global's offer and sale of securities because Sarabia controlled Bonanza Global and had authority over the business of Bonanza Global.

88. By engaging in the conduct described above, Sarabia, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce, or of the mails, to offer to sell or to sell securities, or carried or caused to be carried through the mails or in interstate commerce, by means or instruments of transportation, securities for the purpose of sale or for delivery after sale, when no registration statement had been filed or was in effect as to such securities, and when no exemption from registration was applicable.

89. By engaging in the conduct described above, Sarabia directly or indirectly violated, and unless restrained and enjoined will continue to violate, Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. § 77e(a) and 77e(c)].

SECOND CLAIM FOR RELIEF

Fraud in Connection with the Purchase or Sale of Securities

Violations of Section 10(b) of the Exchange Act and Rule 10b-5(b)

[15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5(b)]

90. The SEC realleges and incorporates by reference in this claim for relief all of the allegations set forth above in paragraphs 1-81, as if they were fully set forth herein.

91. Sarabia made false and misleading statements, including telling investors that their money would be used for investments when, in reality, Sarabia and his business partner, misappropriated the majority of the funds received from investors. Sarabia falsely promised investors a set rate of return of 10% to 15% each month and signed a false "money back guarantee." Sarabia also misled investors about the registration status of the Bonanza Global offering.

92. By engaging in the conduct described above, Sarabia, directly or indirectly, in connection with the purchase or sale of a security, and by the use of means or instrumentalities of interstate commerce, of the mails, or of the facilities of a national securities exchange, knowingly or recklessly, made untrue statements of a material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

93. By engaging in the conduct described above, Sarabia has violated, and unless restrained and enjoined will continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(b) thereunder [17 C.F.R. § 240.10b-5(b)].

THIRD CLAIM FOR RELIEF

Fraud in the Offer or Sale of Securities

Violations of Section 17(a)(2) of the Securities Act

[15 U.S.C. § 77q(a)(2)]

94. The SEC realleges and incorporates by reference in this claim for relief all of the allegations set forth above in paragraphs 1-81, as if they were fully set forth herein.

95. Sarabia made false and misleading statements, including telling investors that their money would be used for investments when, in reality, Sarabia and his business partner, misappropriated the majority of the funds received from investors. Sarabia also falsely promised investors a set rate of return of 10% to 15% each month and signed a false "money back guarantee." Sarabia also misled investors about the registration status of the Bonanza Global offering.

96. As a result of his false statements, Sarabia obtained $825,000, the amount that he personally misappropriated from investors.

97. In the course of Sarabia's securities offerings, Sarabia knowingly, recklessly, or negligently obtained money or property by means of material misrepresentations and omissions about, among other things, how investor funds would be used by Bonanza Global, the rate of return promised to investors, and the safety of funds invested in Bonanza Global.

98. By engaging in the conduct described above, Sarabia, directly or indirectly, in the offer or sale of securities, and by the use of means or instruments of transportation or communication in interstate commerce or by use of the mails, knowingly, recklessly, or negligently obtained money or property by means of untrue statements of a material fact or by omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

99. By engaging in the conduct described above, Sarabia has violated, and

unless restrained and enjoined will continue to violate, Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)].

FOURTH CLAIM FOR RELIEF

Fraud in Connection with the Purchase or Sale of Securities

Violations of Section 10(b) of the Exchange Act and Rules 10b-5(a) and (c)

[15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5(a) and (c)]

100. The SEC realleges and incorporates by reference in this claim for relief all of the allegations set forth above in paragraphs 1-81 above, as if they were fully set forth herein.

101. Sarabia engaged in a scheme to defraud investors by collecting over $5 million from investors to invest in securities or investments but instead using the majority of the funds for his own personal use and for that of his business partner and to pay investors in a Ponzi-like fashion. Sarabia also took actions to convince investors that Bonanza Global was a legitimate business and that investor funds were safe, including signing a money back guarantee. Finally, Sarabia also concealed his fraud by setting up false websites designed to create the impression that investors would be paid back their principal.

102. By engaging in the conduct described above, Sarabia, directly or indirectly, in connection with the purchase or sale of a security, and by the use of means or instrumentalities of interstate commerce, of the mails, or of the facilities of a national securities exchange, knowingly or recklessly: (a) employed devices, schemes, or artifices to defraud; and (b) engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

103. By engaging in the conduct described above, Sarabia has violated, and unless restrained and enjoined will continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) thereunder [17 C.F.R. § 240.10b-5(a) and (c)].

FIFTH CLAIM FOR RELIEF

Fraud in the Offer or Sale of Securities

Violations of Sections 17(a)(1) and 17(a)(3) of the Securities Act

[15 U.S.C. § 77q(a)(1) and 77q(a)(3)]

104. The SEC realleges and incorporates by reference in this claim for relief all of the allegations set forth above in paragraphs 1-81 above, as if they were fully set forth herein.

105. Sarabia engaged in a scheme to defraud investors by collecting over $5 million from investors to invest in securities or investments but instead using the majority of the funds for his own personal use and for that of his business partner and to pay investors in a Ponzi-like fashion. Sarabia also took actions to convince investors that Bonanza Global was a legitimate business and that investor funds were safe, including signing a money back guarantee. Finally, Sarabia also concealed his fraud by setting up false websites designed to create the impression that investors would be paid back their principal.

106. By engaging in the conduct described above, Sarabia, directly or indirectly, in the offer or sale of securities by the use of means or instruments of transportation or communication in interstate commerce or by use of the mails, acting knowingly or recklessly, employed devices, schemes, or artifices to defraud; and, acting knowingly, recklessly or negligently, engaged in transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchaser.

107. By engaging in the conduct described above, Sarabia has violated, and unless restrained and enjoined will continue to violate, Sections 17(a)(1) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and 77q(a)(3)].

PRAYER FOR RELIEF

WHEREFORE, the SEC respectfully requests that the Court:

I.

Issue findings of fact and conclusions of law that Sarabia committed the alleged violations.

II.

Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently enjoining Sarabia, and his officers, agents, servants, employees and attorneys, and those persons in active concert or participation with any of them, who receive actual notice of the judgment by personal service or otherwise, and each of them, from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)].

III.

Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently enjoining Sarabia, and his officers, agents, servants, employees and attorneys, and those persons in active concert or participation with any of them, who receive actual notice of the judgment by personal service or otherwise, and each of them, from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], and Section 10(b) of the Exchange Act [15 U.S.C. §§ 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5] by, directly or indirectly, (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about:

(A) any investment in or offering of securities,

(B) the registration status of such offering or of such securities,

(C) the prospects for success of any product or company,

(D) the use of investor funds, or

(E) the misappropriation of investor funds or investment proceeds.

IV.

Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of Civil Procedure, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], permanently enjoining Sarabia and his officers, agents, servants, employees and attorneys, and those persons in active concert or participation with any of them, who receive actual notice of the judgment by personal service or otherwise, from, directly or indirectly, including, but not limited to, through any entity owned or controlled by Sarabia, participating in the issuance, purchase, offer, or sale of any security, provided, however, that such injunction shall not prevent Sarabia from purchasing or selling securities for his own personal account(s).

V.

Order Sarabia to disgorge his ill-gotten gains from the violations alleged in this Complaint, and order him to pay prejudgment interest on his ill-gotten gains, under Sections 21(d)(3), 21(d)(5) and 21(d)(7) of the Exchange Act [15 U.S.C. §§ 78u(d)(3), 78u(d)(5) and 78u(d)(7)].

VI.

Retain jurisdiction of this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that may be entered, or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

VII.

Provide a trial by jury on all issues so triable.

VIII.

Grant such other and further relief as this Court may determine to be just and proper.

Dated: September 8, 2026

/s/ Ruth C. Pinkel

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SECURITIES AND
EXCHANGE COMMISSION