

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 55844 / June 1, 2007**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12647**

**In the Matter of**  
  
**LUIS M. CORNIDE,**  
  
**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 Luis M. Cornide (“Cornide” 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. From June 1999 to March 2005, Respondent acted as an unregistered broker-dealer in connection with the offer and sale of Pension Fund of America L.C. ("PFA") securities, for which he received transaction-based compensation. During the relevant time period, he was president of PFA and held a fifty-percent ownership interest.

2. On May 21, 2007, a final judgment was entered by consent against Cornide, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 and Sections 15(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Pension Fund of America L.C., et al., Civil Action No. 05-20863-CIV-MOORE, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint in the civil action alleged that PFA sold securities in the form of retirement trust plans, raising approximately \$127 million from more than 3,400 investors. The complaint further alleged that PFA, through its offering and marketing materials, made false representations and omissions of material fact to investors relating to, among other things, PFA's failure to disclose it used as much as 90% of investor funds to pay exorbitant commissions to sales agents, administrative fees and other costs, PFA's failure to disclose all pertinent mutual fund fees, and PFA's misrepresentations regarding its relationships with major financial institutions and broker-dealers, falsely holding the institutions out as trustees or custodians for investors' funds. The complaint charged Respondent and others with violations of the broker-dealer registration and antifraud provisions of the federal securities laws in connection with the offer and sale of PFA 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 Cornide's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Cornide be, and hereby is barred from association with any broker or dealer;

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.

Nancy M. Morris  
Secretary