

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65981 / December 15, 2011

INVESTMENT ADVISERS ACT OF 1940
Release No. 3338 / December 15, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14667

In the Matter of

KENNETH SUAREZ,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Kenneth Suarez (“Suarez” 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 and Section 203(f) of the Investment Advisers Act of 1940, 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. Suarez, age 60, resides in Staten Island, New York. From September 2003 to May 2007, he was a securities lending representative with Schonfeld Securities, LLC ("Schonfeld"), a broker-dealer registered with the Commission, and from August 2007 to April 2009 he was employed as a securities lending representative with Wedbush Morgan Securities, Inc., a broker-dealer and investment adviser registered with the Commission.

2. On October 3, 2008, Suarez pled guilty to two counts of conspiracy to commit securities and wire fraud in violation of Title 18 United States Code, Sections 1348 and 1349 before the United States District Court for the Eastern District of New York, in United States v. Ken Suarez, Crim. No. 08-337. He was sentenced to serve 5 years probation and ordered to make restitution in the amount of \$391,187.

3. The counts of the criminal information to which Suarez pled guilty alleged, inter alia, that Suarez knowingly and intentionally conspired to execute a scheme to defraud Schonfeld and others by means of false and fraudulent pretenses, representations and promises, and to deprive Schonfeld and others of the right to honest services of their employees, in connection with securities of issuers with a class of securities registered under Section 12 of the Exchange Act.

IV.

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

Accordingly, it is hereby ORDERED that pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Suarez be, and hereby is barred from association with any broker, dealer, or investment adviser.

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.

Elizabeth M. Murphy
Secretary