

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 66683 / March 29, 2012**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14820**

**In the Matter of**

**JOSEPH A. PADILLA,**

**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 Joseph A. Padilla (“Padilla” 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. Padilla is a registered representative at Scottsdale Capital Advisors LLC ("SCA"), a broker-dealer registered with the Commission and located in Carlsbad, California and Scottsdale, Arizona. Padilla, 42 years old, is a resident of San Marcos, California.

2. On January 19, 2012, a final judgment was entered by consent against Padilla, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 in the civil action titled *Securities and Exchange Commission v. Daniel E. Ruettiger, et al.*, Case Number 2:11-cv-02011-GMN-VCF, in the United States District Court for the District of Nevada – Las Vegas.

3. The Commission's complaint alleged that, in connection with a scheme to distribute unregistered securities of Rudy Nutrition ("RUNU") in 2008:

- a) Padilla facilitated the deposit of shares of RUNU common stock into a brokerage account that he controlled;
- b) These shares were unregistered and not subject to a valid exemption from registration; and
- c) Padilla sold these shares into the public market.

### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Padilla 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 with the right to apply for reentry after 3 years to the appropriate self-regulatory organization, or if there is none, to the Commission.

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