

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 67267 / June 26, 2012

INVESTMENT ADVISERS ACT OF 1940
Release No. 3423 / June 26, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14927

In the Matter of

**ROBERTO ALEPH
ESPINOSA,**

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 Roberto Aleph Espinosa (“Espinosa” 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. From 2006 to 2011, Espinosa operated Aleph Consulting Group LLC (“Aleph”), an unregistered investment advisory and securities brokerage business. Espinosa, through Aleph, solicited investors to purchase certain securities, handled investor funds, received payment of transaction-based compensation, and advised clients on their investment strategy. In addition, Espinosa, through Aleph, advised clients on the purchase of securities in exchange for advisory fees, and served as the investment manager for the ACG Global Fund, Ltd., a Cayman Islands company, which was only available to U.S. tax exempt entities and non-U.S. citizens and entities. The ACG Global Fund, Ltd., invested primarily in U.S. exchange traded stocks, options and exchange traded funds as well as foreign reverse convertible notes. From October 2008 to September 2010 Espinosa was neither registered as a broker or dealer with the Commission nor associated with a registered broker or dealer. Espinosa, 37 years old, currently resides in Mexico.

2. On June 12, 2012, a final judgment was entered by consent against Espinosa, permanently enjoining him from future violations of Section 15(a) of the Exchange Act, Sections 206(1), 206(2), 206(4), and Rule 206(4)-8(a) of the Advisers Act, and aiding and abetting violations of Sections 206(1), 206(2), 206(4), and Rule 206(4)-8(a) of the Advisers Act in the civil action entitled Securities and Exchange Commission v. Jorge Gomez and Roberto Aleph Espinosa, Civil Action Number 12-CV-21962-Ungaro, in the United States District Court for the Southern District of Florida.

3. The Commission’s complaint alleged that, from October 2008 to September 2010, Espinosa, through Aleph, operated as a broker-dealer while he was not registered with the Commission as a broker or dealer and was not associated with an entity registered as a broker or dealer. In addition, while serving as investment adviser to a client (the “Client”), Espinosa observed the Client’s co-adviser withdraw more than \$4.3 million from the Client’s brokerage account without alerting the Client to the activity. Moreover, upon receipt of a September 11, 2010 email, which alerted Espinosa to the possibility that the co-adviser was committing fraud, Espinosa failed to alert the client to the email or raise the issue of potential fraud with the Client. In addition, Espinosa failed to disclose various fees to the Client and his other investment advisory clients including the ACG Global Fund, Ltd.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act that Respondent Espinosa 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 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; with the right to apply for reentry after three 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