

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

INVESTMENT ADVISERS ACT OF 1940
Release No. 3572/March 28, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15205

In the Matter of

JORGE GOMEZ : ORDER MAKING FINDINGS AND
: IMPOSING SANCTIONS BY DEFAULT

SUMMARY

This Order bars Jorge Gomez (Gomez) from the securities industry.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on February 6, 2013, pursuant to Section 203(f) of the Investment Advisers Act of 1940 (Advisers Act). The OIP alleges that Gomez was enjoined against violations of the antifraud provisions of the federal securities laws. Gomez was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) on March 1, 2013, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 2; 17 C.F.R. § 201.220(b). He has not filed an Answer to date. Accordingly, he has failed to answer or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Therefore, Gomez is in default, and the undersigned finds that the allegations in the OIP are true as to him.¹ See OIP at 2-3; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

Gomez is permanently enjoined from violating the antifraud provisions: Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act. SEC v. Gomez, No. 1:12-cv-21962-UU (S.D. Fla. Jan. 18, 2013). Additionally, he was order to pay disgorgement of \$5,575,000 plus prejudgment interest of \$372,901.79 and a civil penalty in an amount to be determined. Id. In the wrongdoing underlying his injunction, which occurred from 2007 to 2010, Gomez fraudulently obtained and

¹ Gomez was advised that if he failed to file an Answer within the time provided, he would be deemed to be in default, and the undersigned would enter an order barring him from the securities industry. See Jorge Gomez, Admin. Proc. No. 3-15205 (A.L.J. Feb. 26, 2013) (unpublished).

misappropriated more than \$4.3 million from an advisory client. Gomez concealed his misappropriation by providing fraudulent account statements that overstated the client's account value and misstated securities transactions and holdings. Gomez also provided fraudulent certificates for fictitious securities purportedly held by the client and created a fake customer service hotline to field calls from the client. Gomez was an unregistered investment adviser from 2007 through 2010.

III. CONCLUSIONS OF LAW

Gomez has been permanently enjoined "from engaging in or continuing any conduct or practice in connection with any such activity" as an investment adviser within the meaning of Sections 203(e)(4) and 203(f) of the Advisers Act.²

IV. SANCTIONS

Gomez will be barred from the securities industry. This sanction will serve the public interest and the protection of investors, pursuant to Section 203(f) of the Advisers Act, and accord with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Gomez's unlawful conduct was recurring and egregious. Extending over a period of several years, it involved millions of dollars.

V. ORDER

IT IS ORDERED that, pursuant to Section 203(f) of the Investment Advisers Act of 1940, 15 U.S.C. § 80b-3(f), JORGE GOMEZ IS BARRED from associating with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Carol Fox Foelak
Administrative Law Judge

² The fact that Gomez was an unregistered investment adviser does not moot this proceeding against him. The Commission has authority to bar persons from association with registered or unregistered investment advisers or otherwise sanction them under Section 203 of the Advisers Act. Teicher v. SEC, 177 F.3d 1016, 1017-18 (D.C. Cir. 1999).