

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 74674 / April 8, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16479**

**In the Matter of**

**JOSEPH J. ALMAZON**  
**AND**  
**SPARTAN CAPITAL PARTNERS,**

**Respondents.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**  
**AND NOTICE OF HEARING**

**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 J. Almazon and Spartan Capital Partners (“Respondents”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A. RESPONDENTS**

1. At all relevant times, Almazon was the sole officer, director and owner of Executive Source Holding, LLC (“Executive Source”), a Delaware liability company. He also owned and controlled an unincorporated business that operated in Hicksville, New York under the name Spartan Capital Partners (“Spartan”). Respondent Almazon, age 26, resides in Hicksville, New York. Almazon, Executive Source and Spartan were not registered with the Commission in any capacity. At all relevant times, Almazon was an associated person of a registered broker-dealer.

B. ENTRY OF THE INJUNCTION

2. On March 15, 2012, a judgment was entered by consent against Alamazon and Spartan, permanently enjoining them from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 (“Securities Act”) and Section 15(a) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. Mattera, et al., Civil Action Number 1:11-CV-08323, in the United States District Court for the Southern District of New York (“District Court”).

3. The Commission’s complaint alleged that, beginning in approximately June 2011, Alamazon, acting through interns hired to work for Spartan, solicited investments in Delaware limited liability companies Praetorian G IV, V and VI (the “Praetorian G Entities”). Each of the limited liability companies was a special purpose vehicle that purportedly held, but did not hold, shares of popular privately-held companies such as Facebook, Inc., Groupon, Inc. and Zynga, Inc. Alamazon and Spartan successfully solicited investments totaling at least \$640,000. Alamazon received transaction-based compensation in connection with each investment, in part by having investors transfer their funds to Executive Source and keeping a “markup” before transferring the investment to the designated investment account for the Praetorian G Entities, and in part by receiving a commission on each investment. Alamazon was not an associated person of a registered broker or dealer with respect to the conduct alleged in the Complaint.

4. In marketing the securities of the Praetorian G Entities to potential investors, Alamazon failed to disclose that he and related entities would receive a commission on each investment, and that they would also keep a markup, for total compensation of approximately 13-20% of the investment amount. This information was material to investors.

5. In ruling on the appropriate civil penalty to be assessed against Alamazon, the District Court found, based solely on Alamazon’s own deposition testimony, that “[g]iven that Praetorian was attempting to induce his investment, Alamazon’s reliance on” the advice of Praetorian personnel about the legality of his participation in the offering was “unreasonable.” The Court held that Alamazon’s “disregard of regulatory requirements was negligent,” and it ordered Alamazon to disgorge \$390,376.95 (over \$300,000 of which remains unpaid) and to pay prejudgment interest thereon. It also ordered Alamazon to pay a penalty of \$50,000.

C. ADDITIONAL SECURITIES-RELATED CONDUCT

6. On August 9, 2012, Alamazon submitted to a registered broker-dealer offering prime brokerage services (“Prime Broker”), a purported “\$15 million U.S. Treasury note” to be used as margin for a brokerage account that he was considering opening at Prime Broker. Although the document purported to obligate the United States Treasury to pay the bearer \$15 million on demand, it was not a valid or enforceable instrument.

### III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondents an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondents pursuant to Section 15(b) of the Exchange Act.

### IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondents shall file their Answers to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If either Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Brent J. Fields  
Secretary