

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 81003 / June 22, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18044**

**In the Matter of**

**NORRELL L. WALKER,**

**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 Norrell L. Walker (“Walker” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (“Offer”) that the Commission has determined to accept. Respondent admits the facts set forth in Section III below, acknowledges that his conduct violated the federal securities laws, admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and 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. Walker acted as an unregistered broker from approximately January 2013 through February 2014. Walker, 56 years old, is a resident of Signal Hill, California.

2. On May 19, 2017, a judgment was entered by consent against Walker, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Luna, et al., Civil Action Number CV-16-07333-BRO-SKx, in the United States District Court for the Central District of California.

3. The Commission’s complaint alleged that Walker and three co-defendants operated a penny stock pump-and-dump scheme that defrauded investors out of \$13.6 million. The complaint alleges that the scheme entailed setting up boiler room controlled by Walker in Costa Mesa, California and Beverly Hills, California. The complaint further alleges that telemarketers who worked at the boiler rooms, and who were hired and trained by Walker and two co-defendants, touted a pair of companies that Walker and another co-defendant controlled, and the sales staff cold-called potential investors to solicit their purchase of stock in those companies. The complaint further alleges that Walker and his sales staff made numerous material misrepresentations to prospective investors in their attempts to solicit investments in the two companies. The complaint alleges that, as the boiler rooms’ efforts to inflate the stock prices of the two companies succeeded, Walker and a co-defendant sold their shares at substantial profits. The complaint further alleges Walker received approximately \$7 million in the profits from the sales of the two companies, some of which was used to pay the sales staff.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Walker 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.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields  
Secretary