

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90069 / October 1, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-20115

In the Matter of

ALEJANDRO CORTES,

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 Alejandro Cortes (“Cortes” 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 paragraph 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. Cortes was the executive vice president of The Republic Group, Inc. ("Republic"), a Florida corporation established in April 2006, with its principal place of business in Miami, Florida and offices in Puerto Rico. From at least March 2013 to July 2017, Cortes acted as a broker and a person associated with a broker. However, at all relevant times, Cortes was not registered with the Commission pursuant to Section 15(a) of the Exchange Act, nor was he associated with a registered broker-dealer. Cortes, 57 years old, is a resident of Miami, Florida.

2. On September 30, 2020, a final judgment was entered by consent against Cortes, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), and Section 15(a)(1) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. Gary S. Wykle, et al., Civil Action Number 1:20-cv-23616-DPG, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that from March 2013 through July 2017, Republic raised approximately \$9.4 million from at least 150 investors through sales of securities in unregistered transactions. The securities sold to investors were in the form of promissory notes. Republic represented to investors that the offering proceeds would be used to make short-term loans at high interest rates to travel industry businesses in the Dominican Republic. The complaint alleged, among other things, that Cortes solicited investors for Republic's securities offering and was paid a 15% sales commission on nearly all investor proceeds raised from the offering, which came out of investor funds. In total, Cortes was paid sales commissions of approximately \$1.28 million.

IV.

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

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

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Cortes be, and hereby is 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.

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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman
Secretary