UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 95194 / July 1, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20924

In the Matter of
EFRAIN BETANCOURT JR.,
Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b)(6) 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)(6) of the Securities Exchange Act of 1934 ("Exchange Act") against Efrain Betancourt Jr. ("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)(6) 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. Betancourt, age 33, resides in Miami, Florida. He has never been registered as a broker or dealer or associated with a registered broker or dealer, and has never held any securities licenses. Betancourt is the Chief Executive Officer and sole owner of Sky Group USA, LLC, a Florida limited liability company formed in 2015. Sky Group is licensed in Florida as a sales finance company and is engaged in the payday loan business. As CEO, Betancourt was in charge of all of Sky Group’s operations. From January 2016 through at least March 2020, Betancourt solicited numerous investors in Sky Group. He met with prospective investors in person, communicated with them by email, and spoke with them on the telephone, to explain the merits of investing in Sky Group. On behalf of Sky Group, he signed all promissory notes that investors signed to invest with Sky Group and reviewed and approved those promissory notes. He also authorized Sky Group to pay transaction based compensation in the form of commissions to brokers who solicited investors in Sky Group.

2. On June 28, 2022, a final judgment was entered by consent against Betancourt, permanently enjoining him from future violations of Sections 5(a) and (c) and 17(a) of the Securities Act of 1933 (“Securities Act”), and Sections 10(b) and 15(a)(1) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Sky Group USA, LLC, et al, Case No. 21-cv-23443 (S.D. Fla. 2022).

3. The Commission’s Complaint alleged, among other things, that Sky Group and Betancourt fraudulently raised more than $66 million from at least 505 investors through the offer and sale of promissory notes in Sky Group. Among the material misrepresentations the Complaint alleged Betancourt made to investors were that Sky Group would only use their funds to make payday loans, that Sky Group was profitable and had sufficient funds from its payday loan business to repay investors, and that Sky Group had an $80 million payday loan portfolio. In reality, Sky Group did not make more than $12 million in payday loans, and used investor funds to pay its expenses and to repay other investors. In addition, the Complaint alleged Betancourt misappropriated more than $4.5 million in investor funds to pay his credit card bills and other expenses, including for a luxury wedding in France.

IV.

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

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