

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO.**

SECURITIES AND EXCHANGE COMMISSION,)
)
 Plaintiff,)
)
 v.)
)
 JORGE GOMEZ)
 and)
 ROBERTO ALEPH ESPINOSA,)
)
 Defendants.)

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff Securities and Exchange Commission alleges:

INTRODUCTION

1. From 2007 through 2010, Defendant Jorge Gomez, an unregistered investment adviser, misappropriated more than \$4.3 million from an investment advisory client (the “Client”), who had entrusted Gomez with approximately \$10.8 million to invest on his behalf. Gomez misappropriated these funds while serving as a “finder” for Defendant Roberto Aleph Espinosa’s Miami-based unregistered investment advisory and brokerage firm. Gomez concealed his misappropriation by providing the Client with fraudulent account statements, which overstated the Client’s account value and misstated his 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.

2. Gomez wooed the Client initially by lying to him about his affiliation with Bank of New York Mellon (“BNY Mellon”) and Pershing LLC (“Pershing”), his investment strategy,

and the Client's proposed relationship with Pershing and BNY Mellon. Gomez provided the Client with menacing correspondence threatening legal action under Internal Revenue Service ("IRS") regulations and the Patriot Act to prolong his misappropriation scheme and prevent the Client from withdrawing the money he had invested with Gomez.

3. Espinosa is an unregistered investment adviser and broker, who, in conjunction with Gomez, provided investment advisory and brokerage services to the Client from 2007 through 2010. During that time, Espinosa witnessed Gomez pilfering the Client's account, but neglected to alert the Client about Gomez's activities in breach of his fiduciary duty. Espinosa also failed to disclose various fees to the Client and his other investment advisory clients.

4. Through his conduct, Gomez violated Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §78j(b) and 17 C.F.R. §240.10b-5; and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"), 15 U.S.C. §§ 80b-6(1) and 80b-6(2); and Espinosa violated Section 15(a) of the Exchange Act, 15 U.S.C. §78o(a); and Sections 206(1), 206(2) and 206(4) of the Advisers Act and Advisers Act Rule 206(4)-8, 15 U.S.C. §§ 80b-6(1), 80b-6(2), and 80b-6(4) and 17 C.F.R. § 275.206(4)-8(a). Unless the Court enjoins them, they are reasonably likely to continue to violate these provisions.

DEFENDANTS

5. **Gomez**, 42, is a resident of Mexico. From 2007 to 2010, he operated an unregistered investment advisory business located in Dallas, Texas and Mexico under the name Atlantic International Capital LLC ("Atlantic") and Capital International Atlantic Consultores, respectively. He is not registered with the Commission in any capacity.

6. **Espinosa**, 37, is a resident of Mexico and formerly resided in Miami, Florida. From 2006 to 2011, he operated an unregistered investment advisory and securities brokerage

business, Aleph Consulting Group LLC (“Aleph”), located in Miami, Florida. He also formed and served as the principal of, Aleph, the investment manager to the ACG Global Fund, Ltd. (the “ACG Fund”). Espinosa was not registered as a broker-dealer or associated with a registered broker-dealer between October 2008 and September 2010.

RELATED ENTITIES

7. Atlantic was a Texas limited liability corporation Gomez started in 2007 to provide investment advisory services. Atlantic and Gomez also worked as “finders” of advisory clients for Aleph. Atlantic has never been registered with the Commission in any capacity.

8. Aleph was a Florida limited liability corporation Espinosa formed in 2006 to provide investment advisory and securities brokerage services. Aleph was the investment manager to the ACG Fund. Aleph closed in January 2011. Aleph has never been registered with the Commission in any capacity

9. The ACG Fund was a hedge fund started by Espinosa and incorporated in the Cayman Islands in 2007. The ACG Fund was only available to U.S. tax-exempt entities and non-U.S. citizens and entities. Espinosa liquidated the ACG Fund in 2011.

JURISDICTION AND VENUE

10. This Court has jurisdiction over this action pursuant to Sections 21(d), 21(e), and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u(e), and 78aa, and Section 214 of the Advisers Act, 15 U.S.C. § 80b-14.

11. This Court has personal jurisdiction over the Defendants and venue is proper in the Southern District of Florida because many of the Defendants’ acts and transactions constituting Exchange Act and Advisers Act violations occurred in the Southern District of Florida. For example, Espinosa resided and transacted business in the Southern District of

Florida until 2011. Espinosa executed many of the securities transactions alleged in the Complaint from Aleph's Miami office. Gomez also transacted business out of the Southern District of Florida, which included attending meetings with Espinosa in Aleph's Miami office, sending trading authorizations to Espinosa in Miami, and listing Aleph's Miami office as one of Atlantic's business addresses.

12. In connection with the conduct alleged in this Complaint, the Defendants, directly and indirectly, singly or in concert with others, made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation and communication in interstate commerce, and the mails.

FACTUAL ALLEGATIONS

A. Background

13. Espinosa formed Aleph in 2006 to provide securities brokerage and investment advisory services to high net-worth individuals. Aleph had at least 21 clients, including the Client, for whom it placed brokerage trades and rendered investment advice.

14. In 2007, Espinosa, as the president of Aleph, contracted with International Financial Center & Exchange ("IFCE"), a foreign, unregistered financial services firm located in Curaçao, to provide trade execution and support services to Aleph. In turn, IFCE utilized Pershing, a registered clearing broker-dealer located in Jersey City, New Jersey, to, among other things, maintain custody of client assets, clear trades, and issue account statements. In return for paying IFCE monthly fees and a percentage of the commissions Aleph earned on each trade it executed, Aleph obtained access to Pershing's electronic trading platform. Espinosa attracted clients to Aleph based, in part, on his access to Pershing's trading platform.

15. Gomez founded his investment advisory firm, Atlantic, in 2007 and contracted to work as a “finder” of advisory clients for Aleph. Pursuant to the agreement between Atlantic and Aleph, Atlantic would receive a portion of the commissions and fees Aleph earned on each client Atlantic brought to Aleph. Aleph listed Gomez as part of its “team” on Aleph’s website.

16. In mid-2007, Gomez, working on behalf of Aleph, solicited the Client as an investment advisory client. To persuade the Client to liquidate his other brokerage accounts and invest a substantial portion of his assets with Atlantic, Gomez promised to invest in conservative instruments that would likely produce returns of 12-15%. Gomez also claimed to be an agent of BNY Mellon and Pershing.

17. Based on Gomez’s representations, the Client agreed to retain Gomez to advise his brokerage account and trade securities on his behalf. The Client did not authorize Gomez to withdraw money or securities from his account. Moreover, the Client did not sign any advisory agreement or otherwise give Gomez, Atlantic, Espinosa, or Aleph unbridled investment discretion or authority over his account.

18. In September 2007, Gomez completed the new account documentation for the Client to open a brokerage account at IFCE. Pershing provided IFCE custodial services for the account. Unbeknownst to the Client, Gomez listed Atlantic’s address in Mexico as the address of record, ordered checks and a debit card tied to Atlantic’s address, and signed IFCE’s “Full Trading Authorization with Privilege to Withdraw Money and/or Securities” form on behalf of the Client.

19. The Client funded his IFCE brokerage account with approximately \$10.8 million transferred from three other bank and brokerage accounts in September 2007, October 2007, January 2008 and October 2008.

20. At the same time, without the Client's knowledge, Gomez and Espinosa designated Aleph as the adviser on the account. In this role, Espinosa, with some initial input from Gomez, made investment decisions and placed brokerage trades. For its services, from September 2007 through January 2011, Aleph received approximately \$64,000 in advisory fees and a substantial portion of the \$355,000 in commissions charged to the Client's account.

21. The Client did not learn of Espinosa's and Aleph's involvement until receiving a letter purportedly from Espinosa in November 2009 stating that Aleph was the Client's "personal financial advisor."

22. Contrary to Gomez's representations to the Client about conservative investing, Espinosa traded heavily in the Client's account in U.S. exchange traded stocks, bonds, options and exchange traded funds ("ETFs") as well as foreign reverse convertible notes issued by ABN AMRO Bank, N.V. (the "ABN securities"). ABN paid Espinosa an up-front fee, called a retrocession fee, to incentivize him to steer client assets to ABN securities over others. Thus, if Espinosa purchased \$1 million worth of ABN Securities on clients' behalves, ABN would pay Espinosa a pre-established percentage of the \$1 million.

23. Espinosa also invested approximately \$3 million of the Client's money in the ACG Fund. The ACG Fund had brokerage accounts at IFCE and a registered broker-dealer in Plantation, Florida. In total, the ACG Fund raised at least \$7.8 million from a handful of investors, including the Client. At its peak, the Client's investment accounted for approximately 38% of the ACG Fund's assets.

24. Espinosa's trading strategy for the ACG Fund mirrored his strategy in the Client's account. Espinosa invested the ACG Fund assets in U.S. exchange traded stocks, bonds, options,

ETFs and ABN securities. Aleph also received retrocession fees for purchasing ABN securities for the ACG Fund.

25. By December 2010, when the Client liquidated his Aleph advised IFCE account, his \$10.8 million investment with Gomez and Espinosa had dwindled to a mere \$319,757.12.

B. Gomez's Scheme to Misappropriate the Client's Funds

26. Between November 2007 and December 2010, Gomez, without the Client's authorization, made at least 95 transfers from the Client's account to his own accounts. Gomez's withdrawals averaged more than \$100,000 per month, with some months exceeding \$500,000. Many of these transfers required the sale of the Client's securities. In total, Gomez misappropriated more than \$4.3 million from the Client.

27. Gomez hid these transfers from the Client by providing him with a phony Pershing toll-free, customer service number, designed to field the Client's inquiries, and with fake account statements that vastly overstated his account balance. The following chart juxtaposes seven months of the Client's actual account values with the values cited in the fraudulent statements Gomez provided:

Account Statement Date	Fake Account Value	Actual Account Value
October 30, 2008	\$6,093,953.56	\$3,236,154.95
December 31, 2008	\$6,751,514.97	\$1,923,909.57
June 30, 2009	\$9,917,144.30	\$1,622,788.81
December 31, 2009	\$9,917,144.30	\$500,543.03
June 30, 2010	\$10,175,884.61	\$314,144.72
October 31, 2010	\$10,234,730.72	\$404,838.63

28. The fake account statements Gomez provided to the Client also concealed Espinosa's high volume of trading in the Client's account. The fake statements showed minimal trading activity and holdings of only two or three securities in a given month. For example, the Client's account statement for December 2008 noted one holding in the "Knock Reverse

Convertible Securit [sic]" and the statement for December 2009 showed 65.74% invested in the "Knock Reverse Convertible Securit [sic]" and 34.26% invested in "JPMorgan Chase Bank, N.A. Global Market." Further, Gomez provided the Client with certificates for fictitious securities, such as the "New York Mellon Bank Knock Reverse Convertible Security" and the "ABN AMRO Emerging Market Telecom Note," purportedly held in his account. In truth, Espinosa engaged in heavy trading that was not reflected in the statements Gomez provided to the Client.

29. Also unbeknownst to the Client, Espinosa and Gomez invested approximately \$3 million of the Client's assets in the ACG Fund. Neither Espinosa nor Gomez provided the Client with the ACG Fund's offering memorandum. In addition, the Client never signed the ACG Fund's subscription agreement or specifically authorized Gomez or Espinosa to invest in it. In fact, Gomez provided to the Client the first fake account statement which mentioned the Client's investment in the ACG Fund in October 2010. In truth, the Client had holdings in the ACG Fund from September 2007 until July 2011.

C. Gomez's Misrepresentations to the Client

30. In late 2009 and early 2010, the Client became concerned about Gomez's handling of his account. To allay the Client's concerns and dissuade him from withdrawing money from his account – thus, preserving the funds available for Gomez's misappropriation -- Gomez provided the Client with false Pershing correspondence.

31. For example, the Client received from Gomez a November 9, 2009 letter purportedly from Pershing reassuring the Client he had been "a Bank of New York/Pershing customer since August 2007" and he held "his personal profile as well as his business relationship directly with Bank of New York/Pershing." This letter echoed the claims Gomez

had made to the Client at the outset of the relationship about his affiliation with Pershing and BNY Mellon and the direct relationship the Client would have with those entities.

32. In truth, IFCE held the Client's brokerage account, and Pershing's role was limited to providing custodial services to IFCE. Pershing had no direct relationship with the Client. Moreover, Pershing did not issue the letter, as neither Gomez, Atlantic, Espinosa nor Aleph had any affiliation with Pershing or BNY Mellon.

33. Shortly thereafter, on December 24, 2009, Gomez provided the Client with a letter, on fake Pershing letterhead, signed by "David Johnson, International Clients Manager, Tax Department Customer Services," informing the Client he would only receive interest payments every three months, rather than every month, because of changes to the IRS code. Specifically, the letter stated:

New to our area of cash available for [sic] and Instructions of to [sic] the United States Treasury Department, the IRS (Internal Revenue Service), through compliance with the established the [sic] "Patriotic Act" [sic] on practices related to money laundering For this reason reports may only perform [sic] these international movement [sic] just every 3 months

In fact, no such IRS or Patriot Act rule existed and Pershing did not create or send the letter. Gomez provided this letter solely to try to limit the Client's withdrawals from his account.

34. Similarly, on January 28, 2010, Gomez supplied the Client with a letter, on the same fake Pershing letterhead, bearing Espinosa's signature as "International Accounts Director." This letter informed the Client that "[a]t this time your account is under monitoring and supervision of the Financial Regulation institutions of the Government of the United States so we recommend great caution in their financial movements with regard to quantity and frequency of their movements." In truth, the letter was not from Pershing.

35. Finally, on February 5, 2010, Gomez provided the Client with two additional letters on fake Pershing letterhead. One letter informed the Client that his “account remains the red flag (Federal Alert), [sic] so we suggest you continue with the precaution that the case warrants.” The other letter stated that “you have returned to Mexico more than 3 million Dlls. in just 2 years which runs directly in the regulation of the ‘Patriot Act.’” Neither letter was from Pershing.

D. Espinosa’s Disregard of Red Flags

36. Espinosa breached his fiduciary duties as the Client’s investment adviser. Because Aleph, and not Gomez or Atlantic, was the designated adviser on the Client’s account, Pershing and IFCE could only take instructions regarding the Client’s account from Espinosa. Consequently, if either Gomez or the Client wanted to wire money from the Client’s account or change the address on record, they had to submit a written, signed letter of authorization (“LOA”) to Espinosa, who then forwarded the LOA to IFCE, which forwarded it to Pershing for execution.

37. Between September 2007 and December 2010, Espinosa facilitated at least 88 money transfers from the Client’s account to Gomez-controlled accounts by forwarding LOA’s signed by Gomez to IFCE. Espinosa, at times, even provided IFCE with reasons for the third party transfers, citing advisory fees due to Gomez or operating expenses incurred by the Client. At no point during this three year period did he contact the Client, much less flag these frequent transfers for him, despite serving as the Client’s investment adviser.

38. Espinosa also failed to contact the Client after receiving an email from Gomez alerting him to a dispute about the legitimacy of the account statements Gomez had provided to the Client. Specifically, on September 11, 2010, Gomez emailed Espinosa stating:

Robert, we have a problem with [the Client], the people of Intercam Miami are advising him and told him that there is a high percentage that he will suffer high losses on his investment since it is not directly in the hands of BNY but through an intermediary that can place it no matter where without regard to losses. Here with issued some reports to [the Client] on his capital which they have already told him that these are not the ones issued by BNY, these guys called me and asked me questions regarding who we were, what kind of relation do we have with BNY, who is [the Client's] real advisor and in exactly which products is he invested and that [the Client] did not know exactly who had his money, and that why did this sound like a fraud. . . . What do we do???

Espinosa did nothing to alert the Client about his email or the issues it raised.

E. Espinosa's Receipt of Undisclosed Fees

39. Between September 2007 and December 2010, Espinosa received approximately \$64,000 in advisory fees for serving as the Client's investment adviser. Espinosa failed to disclose his receipt of advisory fees to the Client, in breach of his fiduciary duties.

40. Also between September 2007 and December 2010, Espinosa, as the principal of the ACG Fund's investment manager, received approximately \$100,000 in Fund management fees based on the Client's investment in the ACG Fund. Espinosa was not entitled to collect management fees based on the Client's investment in the ACG Fund because the Client was not aware of the extent of his investment and never received the ACG Fund's Confidential Offering Memorandum that disclosed the management fee.

41. In addition, Espinosa, through Aleph, collected approximately \$460,000 in retrocession fees tied to his clients' (including the Client), and the ACG Fund's investment in ABN securities. Espinosa failed to disclose these fees to his clients or investors in the ACG Fund; consequently investors were not aware of Espinosa's financial motivation for the particular investment. The agreement between ABN and Espinosa that authorized Espinosa to purchase ABN securities on behalf of clients required Espinosa to disclose the retrocession fees to his clients. Because he failed to do so, he was not entitled to collect the fees.

COUNT I

**Fraud in Connection with the Purchase or Sale of Securities in
Violation of Section 10(b) of the Exchange Act and Rule 10b-5
(Against Gomez)**

42. The Commission realleges and incorporates Paragraphs 1 through 37 of this Complaint.

43. From at least September 2007 through December 2010, Gomez, directly or indirectly, by use of a means or instrumentality of interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly, willfully or recklessly:

- (a) employed devices, schemes or artifices to defraud;
- (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) engaged in acts, practices and courses of business which have operated as a fraud upon the purchasers of such securities.

44. By reason of the foregoing, Gomez directly or indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5, 17 C.F.R. § 240.10b-5.

COUNT II

**Espinosa Operated as an Unregistered Broker-Dealer
in Violation of Section 15(a)(1) of the Exchange Act
(Against Espinosa)**

45. The Commission realleges and incorporates by Paragraphs 1 through 12, 28 through 29, 36 through 37, and 41 of this Complaint.

46. From at least September 2007 through December 2010, Espinosa, directly or indirectly, by the use of the mails or means or instrumentalities of interstate commerce, while acting as or associated with a broker or dealer effected transactions in, or induced or attempted to induce the purchase or sale of, securities while he was not registered with the Commission as a broker or dealer or when he was not associated with an entity registered with the Commission as a broker-dealer.

47. By reason of the foregoing, Espinosa, directly or indirectly, has violated and, unless enjoined, will continue to violate Section 15(a)(1) of the Exchange Act, 15 U.S.C. §78o(a).

COUNT III

Fraud by Investment Advisers in Violation of Section 206(1) and 206(2) of the Advisers Act (Against All Defendants)

48. The Commission realleges and incorporates Paragraphs 1 through 41 of this Complaint.

49. During the relevant time period, the Defendants were investment advisers within the meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-2(11).

50. From September 2007 through December 2010, the Defendants, by use of the mails, and the means and instrumentalities of interstate commerce, directly or indirectly, while acting as investment advisers, knowingly, willfully, or recklessly:

- (a) employed devices, schemes, or artifices to defraud clients or prospective clients;

(b) engaged in transactions, practices, and courses of business that operated as a fraud or deceit upon clients or prospective clients; and

(c) engaged in acts, practices, and courses of business which were fraudulent, deceptive, or manipulative.

51. By reason of the foregoing, the Defendants, directly and indirectly, violated and, unless enjoined, are reasonably likely to continue to violate Sections 206(1) and 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(1) and 80b-6(2).

COUNT IV

Aiding and Abetting Violations of Sections 206(1) and 206(2) of the Advisers Act (Against All Defendants)

52. The Commission realleges and incorporates Paragraphs 1 through 41 of this Complaint.

53. During the relevant time period, Aleph and Atlantic were investment advisers within the meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-2(11).

54. From September 2007 through December 2010, Aleph and Atlantic, by use of the mails, and the means and instrumentalities of interstate commerce, directly or indirectly, while acting as investment advisers, knowingly, willfully, or recklessly:

(a) employed devices, schemes, or artifices to defraud clients or prospective clients;

(b) engaged in transactions, practices, and courses of business that operated as a fraud or deceit upon clients or prospective clients; and

(c) engaged in acts, practices, and courses of business which were fraudulent, deceptive, or manipulative.

55. From September 2007 through December 2010, Gomez knowingly or recklessly substantially assisted Atlantic's violations of Sections 206(1) and 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(1) and 80b-6(2), and Espinosa knowingly or recklessly substantially assisted Aleph's violations of Sections 206(1) and 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(1) and 80b-6(2).

56. By reason of the foregoing, the Defendants violated and, unless enjoined, are reasonably likely to continue to violate Sections 206(1) and 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(1) and 80b-6(2).

COUNT V

Fraud by an Investment Adviser to a Pooled Investment Vehicle in Violation of Section 206(4) of the Advisers Act and Rule 206(4)-8(a) (Against Espinosa)

57. The Commission realleges and incorporates Paragraphs 1 through 26, 28 through 29, and 36 through 41 of this Complaint.

58. From as early as September 2007 through at least December 2010, Espinosa, while acting as an investment adviser, by use of the mails, and the means and instrumentalities of interstate commerce, directly or indirectly:

- (a) made untrue statements of a material fact or omitted to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading to any investor or prospective investor in a pooled investment vehicle; or
- (b) engaged in acts, practices or courses of business that are fraudulent, deceptive, or manipulative with respect to any investor or prospective investor in a pooled investment vehicle.

59. By reason of the foregoing, Espinosa, directly or indirectly, violated and, unless enjoined, is reasonably likely to continue to violate Section 206(4) and Rule 206(4)-8(a) of the Advisers Act, 15 U.S.C. § 80b-6(4) and 17 C.F.R. § 275.206(4)-8(a).

COUNT VI

**Aiding and Abetting Violations of
Section 206(4) of the Advisers Act and Rule 206(4)-8(a)
(Against Espinosa)**

60. The Commission realleges and incorporates Paragraphs 1 through 26, 28 through 29, and 36 through 41 of this Complaint.

61. From as early as September 2007 through at least December 2010, Aleph, while acting as an investment adviser, by use of the mails, and the means and instrumentalities of interstate commerce, directly or indirectly:

- (a) made untrue statements of a material fact or omitted to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading to any investor or prospective investor in a pooled investment vehicle; or
- (b) engaged in acts, practices or courses of business that are fraudulent, deceptive, or manipulative with respect to any investor or prospective investor in a pooled investment vehicle.

62. Espinosa, by engaging in the conduct described above, knowingly or recklessly substantially assisted Aleph's violations of Section 206(4) and Rule 206(4)-8(a) of the Advisers Act, 15 U.S.C. 80b-6(4) and 17 C.F.R. § 275.206(4)-8(a).

63. By reason of the foregoing, Espinosa, directly or indirectly, violated and, unless enjoined, is reasonably likely to continue to violate Section 206(4) and Rule 206(4)-8(a) of the Advisers Act, 15 U.S.C. 80b-6(4) and 17 C.F.R. § 275.206(4)-8(a).

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court:

I.

Declaratory Relief

Declare, determine, and find that the Defendants have committed the violations of the federal securities laws alleged herein.

II.

Injunctive Relief

Issue Permanent Injunctions, restraining and enjoining Gomez, his agents, servants, employees, and attorneys, and all persons in active concert or participation with him who receive actual notice of the injunction by personal service and otherwise, and each of them, from directly or indirectly violating Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder and Sections 206(1) and 206(2) of the Advisers Act; and restraining and enjoining Espinosa, his agents, servants, employees, and attorneys, and all persons in active concert or participation with him who receive actual notice of the injunction by personal service and otherwise, and each of them, from directly or indirectly violating Section 15(a) of the Exchange Act and Sections 206(1), 206(2), and 206(4) of the Advisers Act and Advisers Act Rule 206(4)-8(a).

III.

Disgorgement

Issue an Order directing Defendants to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

IV.

Penalties

Issue an Order directing Defendants to pay civil money penalties pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C. §78u-1(a), and Section 209(e) of the Advisers Act, 15 U.S.C. § 80b-9(e).

V.

Further Relief

Grant such other and further relief as may be necessary and appropriate.

VI.

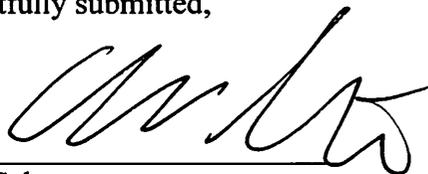
Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Respectfully submitted,

May 25, 2012

By:



Adam Schwartz
Senior Trial Counsel
Court Id. No. A5501169
Telephone: (305) 982-6390

Email: schwartz@sec.gov

Susan Cooke Anderson
Senior Counsel
District of Columbia Bar No. 978173
Telephone: (305) 982-6321
Email: andersonsu@sec.gov

Attorneys for Plaintiff
**SECURITIES AND EXCHANGE
COMMISSION**
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Telephone: (305) 982-6300
Facsimile: (305) 536-4146