

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

INVESTMENT ADVISERS ACT OF 1940
Release No. 3462/September 11, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14897

In the Matter of :
: ORDER MAKING FINDINGS AND
JASON GEORGE RIVERA, JR. : IMPOSING SANCTIONS BY DEFAULT

SUMMARY

This Order bars Jason George Rivera, Jr. (Rivera), from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on May 29, 2012, pursuant to Section 203(f) of the Investment Advisers Act of 1940 (Advisers Act). The OIP alleges that Rivera has been enjoined against violations of the registration and antifraud provisions of the federal securities laws. Rivera was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) on June 27, 2012, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 2; 17 C.F.R. § 201.220(b). Rivera has not filed an Answer to date. The Division of Enforcement (Division) filed a Motion for Default on August 29, 2012, and Rivera did not respond. Accordingly, he has failed to answer, to respond to a dispositive motion within the time provided, or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Accordingly, he is in default, and the undersigned finds that the allegations in the OIP are true. See OIP at 2; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

Rivera, 33, formerly of Alamo, California, is permanently enjoined from violating the antifraud and registration provisions of the federal securities laws, specifically, from violating Sections 5 and 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act.¹ SEC

¹ Official notice, pursuant to 17 C.F.R. § 201.323, is taken of the fact that Rivera was also ordered to pay a civil penalty of \$130,000 and, jointly and severally with others, to disgorge over \$7.6 million plus prejudgment interest. SEC v. Rivera, No. 11-cv-04741 (N.D. Cal. May 16, 2012).

v. Rivera, No. 11-cv-04741 (N.D. Cal. May 16, 2012). The wrongdoing underlying the judgment took place from 2007 through 2010. Rivera, acting as an investment adviser and using two companies he controlled and operated as investment pools, raised nearly \$8 million from over thirty-five investors through fraudulent, unregistered sales of securities. He attracted investors with false representations that their money would be profitably invested in items such as diamonds, gold, and collateralized mortgage trading programs, when, in fact, Rivera spent the money on improvements to his home, luxury vehicles, travel, and other personal expenses.

III. CONCLUSIONS OF LAW

Rivera is permanently enjoined “from engaging in or continuing any conduct or practice in connection . . . with the purchase or sale of any security” within the meaning of Sections 203(e)(4) and 203(f) of the Advisers Act.

IV. SANCTIONS

As the Division requests, Rivera will be barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.² This sanction will serve the public interest and the protection of investors, pursuant to Section 203(f) of the Advisers Act, and accord with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Rivera’s unlawful conduct was recurring and egregious. Extending over a period of three years, it involved millions of dollars.

V. ORDER

IT IS ORDERED that, pursuant to Section 203(f) of the Investment Advisers Act of 1940, JASON GEORGE RIVERA, JR., IS BARRED from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Carol Fox Foelak
Administrative Law Judge

² The collateral bar requested by the Division is authorized pursuant to Section 203(f) of the Advisers Act, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). Rivera’s misconduct continued after the July 22, 2010, effective date of the Dodd-Frank Act.