

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 57729 / April 28, 2008

INVESTMENT ADVISERS ACT OF 1940
Release No. 2729 / April 28, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-12935

In the Matter of

JOSEPH A. FERONA, JR.

Respondent.

**ORDER MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940**

I.

On January 25, 2008, the Securities and Exchange Commission (“Commission”) instituted a public administrative and cease-and-desist proceeding pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Joseph A. Ferona, Jr. (“Respondent”).

II.

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 Section III.2 and III.4 below, which are admitted, Respondent consents to the entry of this Order Making Findings and Iposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

A. RESPONDENT

1. From October 2003 through March 2005 Respondent operated two d/b/a’s, Castle Rock Trading Company (“Castle Rock Trading”) and the Global Prosperity Fund (“Global Prosperity Fund”), which were, respectively, an unregistered investment adviser and an unregistered investment company. Acting as an unregistered broker or dealer, Respondent offered for sale and sold securities of the Global Prosperity Fund. From monies held by the Global Prosperity Fund, Respondent compensated himself for his rendering of investment advice through Castle Rock Trading and his sales of securities. Respondent, age 44, lived in Castle Rock, Colorado, when he operated Castle Rock Trading and the Global Prosperity Fund and acted as an unregistered broker or dealer.

B. ENTRY OF AN INJUNCTION AND CONVICTION AGAINST RESPONDENT

2. On October 13, 2005, a final judgment was entered by default against Respondent, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”), Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder, Sections 203(a), 204, 206(1) and 206(2) of the Advisers Act and Rule 204-2 thereunder, and Sections 7(a) and 31(b) of the Investment Company Act of 1940 (“Investment Company Act”) in the civil action entitled Securities and Exchange Commission v. Joseph A. Feron, Jr. et al., Civil Action No. 05-CV-00621-WDM-BNB, in the United States District Court for the District of Colorado.

3. The Commission’s first amended complaint alleged that, from at least October 2003 through March 2005 Feron sold interests in the Global Prosperity Fund, an unregistered investment company managed by Castle Rock Trading, an unregistered investment adviser, to at least 35 investors from whom he raised at least \$2.8 million. The complaint further alleged that Feron misappropriated investor funds, falsely stated to investors that their funds were invested, sent out false account statements representing that investors were earning positive returns, and otherwise engaged in a variety of conduct that operated as a fraud and deceit on investors. The

complaint also alleged that Feronia offered to sell securities in unregistered transactions, failed to register Castle Rock Trading and the Global Prosperity Fund as an investment adviser and investment company, respectively, and failed to make the records of Castle Rock Trading and the Global Prosperity Fund available for inspection by Commission examiners.

4. On June 11, 2007, Respondent pled guilty to one count of mail fraud in violation of Title 18 United States Code, Sections 1341 and 1342 before the United States District Court for the District of Colorado in United States v. Joseph A. Feronia, Jr., Case No. 06-cr-00455-EWN. On August 24, 2007, a judgment in the criminal case was entered against Respondent. He was sentenced to a prison term of 70 months followed by three years of supervised release and ordered to make restitution in the amount of \$2,172,783.13.

5. The count of the indictment to which Respondent pled guilty alleged, inter alia, that Respondent defrauded investors and obtained money and property by means of materially false and misleading statements, and that he used the United States mails to send false account statements.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent be, and hereby is, barred from association with any broker, dealer, or investment adviser.

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.

Nancy M. Morris
Secretary