

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54441 / September 14, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12417

In the Matter of

JONATHAN CURTIS PAPA,

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 Jonathan Curtis Papa (“Papa” 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 Section 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. Papa, age 34, was the sole officer, director, and voting shareholder of Papa Holdings, Inc. ("PHI"), a California corporation. Papa was also the Chief Executive Officer, Chief Financial Officer, Secretary, and/or Chairman of the Board of Directors of PHI's restaurant subsidiaries. Papa, both individually and through PHI, acted as an unregistered broker-dealer offering and selling securities in the form of preferred stock in PHI and certain "Restaurant Subsidiaries": Ponzu V, Inc., Ponzu VI, Inc., Express 1, Inc., and Papa Exp 2, Inc. Neither Papa nor PHI has ever been registered with the Commission in any capacity.

2. On June 1, 1999, a Judgment of Permanent Injunction and Other Relief was entered against Papa, pursuant to his consent, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 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. Jonathan C. Papa, et al., Civil Action Number 99-CV-5049 SVW (CWx), in the United States District Court for the Central District of California. On March 8, 2000, a Final Judgment of Disgorgement and Imposing Civil Penalties was entered against Papa, ordering him to pay \$3,074,621 in disgorgement, \$422,876.81 in prejudgment interest, and a \$110,000 civil penalty, for a total of \$3,607,497.81.

3. The Commission's complaint alleges that Papa and his sales agents engaged in the unregistered offer and sale of \$21.6 million in preferred stock in PHI and the Restaurant Subsidiaries. The Commission's complaint also alleges that Papa, acting individually and through PHI, made material misrepresentations and omissions to prospective investors concerning the use of investor proceeds and operated a fraudulent scheme.

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, that Respondent be, and hereby is barred from association with any broker or dealer.

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.

By the Commission.

Nancy M. Morris
Secretary