

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2982 / February 1, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13771

In the Matter of

RONNIE EUGENE BASS JR.,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
203(f) OF THE INVESTMENT ADVISERS
ACT OF 1940 AND NOTICE OF HEARING**

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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Ronnie Eugene Bass Jr. (“Respondent” or “Bass”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From April 2008 through March 2009, Bass was the managing member of two entities, HomePals Investment Club, LLC and HomePals, LLC (the “HomePals Entities”), based in Delray Beach, Florida. The HomePals Entities held themselves out as investment companies, offering and selling unsecured notes that promised to double investors’ money every 90 days through Bass’ purported success as an options and commodities trader. The HomePals Entities pooled investor money, and Bass was responsible for all investment decisions. Bass repeatedly stressed to investors his trading success and ability to make them money, and thus advised investors as to the merits of investing in the notes the HomePals Entities sold in exchange for compensation

in the form of a percentage of the profits he earned. Bass, 36, resided in Miami, Florida at the time of this conduct.

B. ENTRY OF THE INJUNCTION

2. On December 21, 2009, the United States District Court for the Southern District of Florida entered, by default, a judgment against Bass, permanently enjoining him from future violations of Sections 5(a), 5(c), 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, and Sections 206(1), 206(2), and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. Ronnie Eugene Bass Jr., Civil Action Number 9:09-CV-81524.

3. The Commission’s complaint alleged that from April 2008 through March 2009, Bass, the HomePals Entities, and others, raised at least \$14.3 million from hundreds of Haitian-American investors by falsely promising to double their money every 90 days based on Bass’ purported successful options and commodities training. Bass and the others issued unsecured notes not registered with the Commission to investors, and assured them that their principal was never at risk because the HomePals Entities had obtained a \$25 million insurance policy to protect every investment. The complaint also alleged that Bass misappropriated investor funds for personal use.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission’s Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission’s Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy
Secretary