

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-21257**

**In the Matter of**  
  
**JOHN MARQUES,**  
  
**Respondent.**

**DIVISION OF ENFORCEMENT’S SUPPLEMENTAL BRIEF IN  
SUPPORT OF MOTION FOR ENTRY OF ORDER OF  
DEFAULT AND REMEDIAL SANCTIONS AS TO  
RESPONDENT JOHN MARQUES**

**I. Introduction**

Pursuant to the Securities and Exchange Commission’s (the “Commission” or “SEC”) January 20, 2026 Order Requesting Additional Briefing and Materials from the Parties (“Order”), the Division of Enforcement (“Division”) submits the instant supplemental brief and exhibits supporting the imposition of an associational bar against Respondent John Marques (“Marques”).<sup>1</sup>

**II. Argument**

The Commission should impose an associational bar against Marques. Section 15(b)(6)(A) of the Securities Exchange Act of 1934 (“Exchange Act”) authorizes the Commission to impose an associational bar against a person who: (1) at the time of the misconduct was acting as or

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<sup>1</sup> In its Motion for Entry of Order of Default and Remedial Sanctions, the Division sought not only an associational bar, but also a penny stock bar against Marques. Based on a reassessment of the evidence and in the Division’s discretion based on the facts and circumstances of this matter, the Division no longer seeks a penny stock bar.

associated with a broker; (2) has been made subject to an injunction; and (3) should be barred if in the public interest. 15 U.S.C. § 78o(b)(6)(A). The evidentiary record satisfies these statutory elements, including: (1) Marques’s sworn testimony; (2) a sworn declaration from forensic accountant Maria Yip, CPA; (3) the Finder’s Fee Agreement between Marques and EquiAlt Fund, LLC; (4) Marques’s own affidavit; (5) an expert report from Ms. Yip; (6) a sworn declaration from Warren Lewis, Chief of the Enforcement Treasury Operations Branch of the Commission’s Office of Financial Management; and (7) a sworn declaration from Magaly Ordaz, a paralegal in the Commission’s Miami Regional Office.

As set forth in detail below, for at least three-and-a-half years, Marques acted as an unregistered broker, raising nearly \$15 million and earning over \$824,000 in transaction-based commissions. A permanent injunction was entered against Marques by the District Court where the Commission had charged Marques with violating the broker-dealer registration provisions of Section 15(a) of the Exchange Act. *SEC v. John Marques*, 21-cv-09796, (N.D. Cal. Dec. 20, 2021) [ECF No. 28]. Moreover, application of the six public interest factors from *Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1979)—including the egregious and recurrent nature of his misconduct, his level of scienter, the absence of assurances against future violations or acknowledgment of wrongdoing, and the high risk of future violations given his occupation—weigh decisively in favor of imposing the associational bar the Division seeks.

#### **A. Marques Acted as an Unregistered Broker**

Exchange Act Section 15(b)(6) covers a person acting as or associated with a broker at the time of the misconduct. Under Exchange Act Section 3(a)(4), a “broker” is defined as “any person engaged in the business of effecting transactions in securities for the account of others.” A person engages in the business of effecting securities by “participat[ing] in purchasing and selling

securities involving more than a few isolated transactions; there is no requirement that such activity be a person's principal business or the principal source of income." *In re Anthony Fields*, Securities Act Rel. No. 9727, at 30, 2015 WL 728005 (Feb. 20, 2015) (quotations and alterations omitted). Indications of broker activity "include holding oneself out as a broker-dealer, recruiting or soliciting potential investors, handling client funds and securities, negotiating with issuers, and receiving transaction-based compensation." *Id.*

From at least 2016 until February 2020 ("Relevant Period"), Marques, a life insurance salesman who was not registered with the Commission during the Relevant Period, sold the securities of several real estate funds (hereinafter, the "EquiAlt Funds") managed by EquiAlt, LLC ("EquiAlt"). Investigative Testimony of Transcript of John Marques, Ex. 1 at 24:5-9; 25:22-23; 34:4; 57:19-58:2; Ex. 2 at ¶ 5.a; Finder's Fee Agreement, Ex. 3. Marques first became involved with EquiAlt in June 2016 when he and one of the EquiAlt Funds, EquiAlt Fund, LLC ("EquiAlt Fund"), entered into a written "Finder's Fee Agreement," whereby Marques agreed to introduce investors to EquiAlt Fund's investment offering in exchange for transaction-based compensation. Ex. 3. The Finder's Fee Agreement, which had a two-year term, stated that Marques would be paid 6% of the funds invested in EquiAlt Fund by an investor introduced by Marques. *Id.* at pp. 2-3. The Finder's Fee Agreement also provided that Marques would receive a 2% bonus if the total amount invested in the EquiAlt Fund in any month exceeded \$500,000. *Id.* at p. 3.

Shortly after entering into the Finder's Fee Agreement, Marques began actively soliciting investors for the various EquiAlt Funds through dinner seminars with prospective investors. Ex. 1 at 40:21-41:7; 54:2-55:11; 56:19-58:2. Marques sold these investors 3-year and 4-year term debentures issued by the EquiAlt Funds, which provided a fixed annual return of 8% to 10%. Ex. 2 at ¶ 5.a. In total, Marques raised approximately \$14.9 million from the offer and sale of securities

of the EquiAlt Funds, including through his company, Lifeline Innovations & Insurance Solutions LLC.<sup>2</sup> *Id.* at ¶ 5.c. From these sales, Marques received approximately \$824,000 in transaction-based sales commissions. *Id.* However, during the Relevant Period, Marques was not registered with the Commission or associated with a Commission-registered broker. Ex. 1 at 24:8-25:9. In February 2020, the Commission charged EquiAlt and its control persons with operating a fraudulent investment scheme, including by making Ponzi payments to investors. *SEC v. Davison et al.*, 20-cv-00325 (M.D. Fla. filed February 11, 2020); *see also* Expert Report of Maria Yip, Ex. 5 at ¶ 9.a (declaring that the EquiAlt Funds operated as a Ponzi scheme since inception).

### **B. Marques is Subject to a Permanent Injunction**

On December 8, 2022, the Court in *SEC v. John Marques*, 21-cv-09796 (N.D. Cal. filed Dec. 20, 2021) entered a final judgment permanently enjoining Marques from future violations of Section 5 of the Securities Act of 1933 and Section 15(a)(1) of the Exchange Act. [ECF No. 28]. The second element under Section 15(b)(6)(A) is satisfied.

### **C. The Imposition of the Associational Bar Serves the Public Interest**

In assessing the final element—whether an associational bar is in the “public interest”—the Commission considers the following six factors:

the egregiousness of the respondent’s actions, the isolated or recurrent nature of the infraction, the degree of scienter involved, the sincerity of the respondent’s assurances against future violations, the respondent’s recognition of wrongful nature of his conduct, and the likelihood that the respondent’s occupation will present opportunities for future violations.

*Steadman* 603 F.2d at 1140. These factors weigh heavily in favor of an associational bar.

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<sup>2</sup> In the Order Instituting Administrative Proceedings, the Division alleged that Marques raised approximately \$7.9 million from investors. Upon further consultation with Ms. Yip, the Division believes Marques raised approximately \$14.9 million from investors.

**i. Marques's Conduct was Egregious**

Marques's sales efforts alone resulted in EquiAlt raising approximately \$14.9 million from at least 50 investors who were duped into investing in a Ponzi scheme. Ex. 2 at ¶ 5.c; Ex. 5 at ¶ 9.a. During the Relevant Period, Marques was a regular participant in numerous transactions involving EquiAlt Funds' securities at key points in the chain of distribution. During dinner seminars with prospective investors, Marques made presentations about the opportunity to invest in the EquiAlt Funds' securities, without specifically identifying EquiAlt as the investment sponsor. Ex. 1 at 40:21-41:7; 48:5-14. At these seminars, Marques also presented on other investment opportunities, including investments related to oil and gas and life settlements. *Id.* at 42:22-24; 48:5-14. At the end of these dinner seminars, Marques asked prospective investors to complete a form indicating whether they had an interest in one or more of the investment opportunities presented to them so that he could schedule an individual meeting with them to discuss the specific details of the investment. *Id.* at 41:4-7; 56:24-58:2. If a prospective investor expressed an interest in the investment opportunity offered by the EquiAlt Funds, Marques then provided the prospective investor with copies of EquiAlt Funds' offering documents along with marketing and sales materials, including the sales brochure and subscription agreement. *Id.* at 57:19-58:2. Marques also provided prospective investors with a private placement memorandum, upon request. *Id.* at 58:3-10.

In addition to providing prospective investors with copies of EquiAlt Funds' offering documents and marketing/sales materials, Marques typically explained important aspects of the investment such as the background of EquiAlt's manager and the purported historical performance of the EquiAlt Funds. *Id.* at 57:24-25; 62:18-63:2. Among other things, he explained to prospective investors that the real estate assets owned by the EquiAlt Funds had increased in value since they

had been purchased. *Id.* at 61:17-21. Marques also erroneously suggested to some investors that it would be difficult for management to abscond with investor funds because the EquiAlt Funds owned real estate.<sup>3</sup> *Id.* at 61:8-22.

Marques assisted investors during the securities sales transactions. For example, he collected the completed subscription agreements and investment checks from investors, and then forwarded these documents directly to his contact at EquiAlt to complete the investment transaction. *Id.* at 58:18-20; 59:18-24. He also assisted investors in resolving any issues that arose after they made an investment in the EquiAlt Funds. *Id.* at 68:2-9. In addition, Marques collected an additional commission from the EquiAlt Funds on those occasions when investors renewed their investments in the EquiAlt Funds after their original investments matured. *Id.* at 67:3-10.

## **ii. Marques' Conduct was Recurrent**

For over three-and-a-half years until the Ponzi scheme was halted by the Commission, Marques repeatedly solicited investors for EquiAlt's Funds. For example, he communicated directly with prospective investors about EquiAlt's Funds; described the historical performance of the EquiAlt Funds' securities to prospective investors; reassured prospective investors about the risk of investing in the EquiAlt Funds; and provided prospective investors with copies of offering documents and marketing/sales materials. Ex. 1 at 40:21-41:7; 56:24-58:2; 61:10-22; 62:18-63:2. Ultimately, Marques raised about \$14.9 million from the unregistered offer and sale of securities of the EquiAlt Funds, and from these sales, received approximately \$824,000 in transaction-based sales commissions. Ex. 2 at ¶ 5.c.

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<sup>3</sup> The Division's Motion for Entry of Order of Default and Remedial Sanctions states (p. 7) that Marques never disclosed "the high risk of the investment, such as the company having no internal controls, unaudited financial documents, and mismanagement of funds." This language was included by mistake, and the Division is not relying on this statement as support for the Motion. The Division also notes that the Commission's Order requests supporting documentation for the allegation in the Motion "that many of the investors were elderly, retired, and used their IRAs to invest." The Division has not been able to identify any such allegation in the Motion.

**iii. Marques Acted with Scienter**

Although the claims against Marques do not require proof of scienter, Marques had a reason to suspect that his sale of EquiAlt's securities was unlawful. Marques held a securities license from 1986 to about 2010 before deciding to "voluntarily let it go." Ex. 1 at 24:8-9. He thus knew about the licensing requirements to sell securities, but nonetheless sold the securities at issue here for years without being registered.

**iv. Marques Has Given No Assurances Against Future Violations and Has Not Recognized the Wrongful Nature of His Conduct**

Despite receiving service of the Order Instituting Administrative Proceedings, Marques has not participated in this matter, and therefore has provided no assurances that he will avoid future violations of the securities laws or shown that he recognizes the wrongful nature of his conduct. *See In re Kimm Hannan*, Advisers Act Rel. No. 5906, at 4, 2021 WL 5161855 (Nov. 5, 2021) ("Because Hannan failed to answer the OIP or respond to the order to show cause or to the Division's motion, he has made no assurances to us that he will not commit future violations or that he recognizes the wrongful nature of his conduct."); *In re Oscar Ferrer Rivera*, Advisers Act Rel. No. 5759, at 6, 2021 WL 2593642 (June 24, 2021) (same).

In fact, Marques has done the opposite. Marques has filed an affidavit in the District Court action against him suggesting that the Commission is not a "legitimate" agency, denying that the Court had jurisdiction, stating that the Court was a "fictitious" legal entity and denying that the charges brought in the case applied to him. Affidavit of John Marques, Ex. 4 at ¶¶ 1, 3, 11, 78, 81. In his affidavit, Marques records his complete disdain and disrespect for the legal system and his belief that it does not apply to him. *Id.*

His disdain is further evidenced by his attempt to frustrate the Commission's efforts to collect the judgment ordered by the Court. Marques has thus far failed to respond to the

Commission's post-judgment Request for Production of Documents regarding his financial condition, which was served personally on him on June 14, 2025. [ECF No. 30-2]. On September 11, 2025, the Court issued an order compelling Marques to respond to the Commission's post-judgment Request. [ECF No. 33]. Marques ignored the Court's Order until a February 5, 2026 contempt hearing, after which he finally agreed to respond to the Commission's post-judgment requests. As of March 3, 2026, the Commission has collected less than \$6,000 from Marques. \$1,142,472.88 in penalties, disgorgement, and prejudgment interest remain outstanding. Declaration of Warren Lewis, Ex. 6 at ¶¶ 20-22.

**v. Marques's Occupation Presents Opportunities for Future Violations**

Marques engaged in repeated, flagrant violations of the securities and broker registration provisions of the federal securities laws. Ex. 2 at ¶ 5 (attesting that conduct occurred over approximately three-and-a-half years and involved sales to at least 50 investors). While "[c]ourts have held that the existence of a past violation, without more, is not a sufficient basis for imposing a bar. . .the existence of a violation raises an inference that it will be repeated." *In re Tzemach David Netzer Korem*, Exchange Act Rel. No. 70044, at 10, n.50, 2013 WL 3864511 (July 26, 2013) (quotation and alterations omitted); *see also SEC v. Murphy*, 626 F.2d 633, 655 (9th Cir. 1980) (noting that the existence of past violations may give rise to an inference that there will be future violations). In addition to this conduct, Marques remains unregistered with the Commission or FINRA, and unassociated with a registered broker-dealer or investment advisory firm. Declaration of Magaly Ordaz, Ex. 7 at ¶ 3. Marques's years of sales of securities issued by the EquiAlt Funds makes it likely that he will engage in such conduct again, and he has offered no evidence to rebut that inference. Unless he is barred from the securities industry, he may have the chance to continue to harm investors.

Additionally, Marques has provided no assurance that he will step away from working in the securities industry, and there is significant risk that he may, in fact, return to it. Marques, age 67, spent at least 27 years working in the securities industry, including 24 years at various broker-dealers, and approximately three-and-a-half years selling the securities issued by the EquiAlt Funds. Ex. 1 at 24:18-25:9 (testimony that Marques worked at various broker-dealers from 1986 through 2010); Ex. 2 at ¶ 5.a (declaration attesting that Marques sold EquiAlt Funds' securities over approximately three-and-a-half years); Ex. 3 ("Finder's Fee Agreement" dated June 1, 2016); Ex. 1 at 34:4 (testimony that Marques stopped selling EquiAlt Funds securities in February 2020). In addition to selling securities issued by the EquiAlt Funds, Marques admitted selling at least two other investments related to oil and gas and life settlements. Ex. 1 at 42:22-24; 48:5-14. And it bears noting that Marques remains licensed in Texas and California as an insurance agent. Ex. 7 at ¶ 4. He could use his customer relationships to sell securities in the future.

### **III. Conclusion**

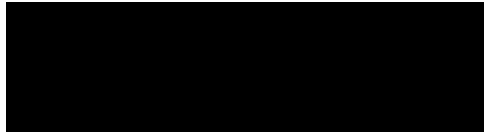
For these reasons, imposing the requested associational bar is appropriate under Section 15(b) of the Exchange Act. Accordingly, the Division respectfully requests that Marques be barred from association with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

**RULE 151 CERTIFICATION**

The undersigned counsel hereby certifies that sensitive personal information described in Commission Rule of Practice 151(e) [17 C.F.R. § 201.151(e)] has been omitted or redacted from the filing or, if necessary to the filing, has been filed under seal pursuant to § 201.322.

Dated: March 12, 2026

Respectfully submitted,



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COUNSEL FOR  
DIVISION OF ENFORCEMENT

**Index of Exhibits**

**Exhibit**    **Description**

1.     Transcript of Investigative Testimony of John Albino Marques taken September 8, 2021
2.     Declaration of Maria M. Yip, dated March 4, 2026
3.     Finder’s Fee Agreement, by and between John Marques and EquiAlt Fund, LLC, dated June 1, 2016
4.     Affidavit of John Marques in *SEC v. John Marques*, 4:21-cv-09796 (N.D. Cal.)
5.     Expert Report of Maria Yip in *Wiand v. Family Tree Estate Planning, LLC, et al.*, 21 cv-000361-SDM-AAS (M.D. Fla)
6.     Declaration of Warren Lewis, dated March 5, 2026
7.     Declaration of Magaly Ordaz, dated March 12, 2026

**CERTIFICATE OF SERVICE**

Pursuant to Rule 150 of the Commission’s Rules of Practice, I hereby certify that on March 12, 2026, the foregoing document was filed using the eFAP system, and that a true and correct copy of the document is being served by UPS Express on the following persons entitled to notice:

John Marques



*Respondent*



Alexander Charap, Esq.  
Senior Counsel