

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING AND	:	
SECURITIES, BUREAU OF SECURITIES	:	
COMPLIANCE AND EXAMINATIONS	:	Docket No. : 260010(SEC-OSC)
	:	
v.	:	
	:	
PINEDA SANCHEZ CAPITAL COMPANY	:	
d/b/a PINEDA SANCHEZ CAPITAL, LLC	:	
RICHARD PINEDA	:	
	:	

NOTICE TO ANSWER AND REQUEST A HEARING

You have the right to challenge the attached Order to Show Cause (“Order”) by filing an Answer, in writing, with the Docket Clerk **within 30 days** of the date of this Order as required by 1 Pa. Code § 35.37. **If you do not file an Answer within 30 days, then you will waive your right to a hearing and the Banking and Securities Commission (“Commission”) may enter a final order against you.**

Your Answer must be in writing. Your Answer must specifically admit or deny the allegations in the Order, set forth the facts you rely upon, and state concisely the law upon which you rely. General denials of the allegations set forth in the Order are not sufficient; you must support your denials with specific facts. Failure to support your denials with specific facts may cause the Commission to deem the facts in the Order as admitted and to enter a final order against you, without a hearing

The Answer and any other documents must be filed with the Docket Clerk:

Docket Clerk
Pennsylvania Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101
Email: RA-BNDOCKETCLERK@pa.gov

Further, you must serve a copy of the Answer and any other documents on the person who signed the Order by providing a copy to his or her counsel indicated below:

Office of Chief Counsel
Pennsylvania Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101

Email: RA-BNChiefCounsel@pa.gov

Once you file your Answer, you will be notified of pertinent information such as the name of the presiding officer designated by the Commission to hear this matter and, if a hearing is scheduled, the date, time, and location of the hearing. You have the right to be represented by an attorney.

The hearing and all other procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa.C.S. §§ 501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§ 31.1-35.251.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING AND	:	
SECURITIES, BUREAU OF SECURITIES	:	
COMPLIANCE AND EXAMINATIONS	:	Docket No. : 260010(SEC-OSC)
	:	
v.	:	
	:	
PINEDA SANCHEZ CAPITAL COMPANY	:	
d/b/a PINEDA SANCHEZ CAPITAL, LLC	:	
RICHARD PINEDA	:	
	:	

ORDER TO SHOW CAUSE

You, Pineda Sanchez Capital Company d/b/a Pineda Sanchez Capital, LLC (“Respondent PSC”) and Richard Pineda (“Respondent Pineda”), (collectively, “Respondents”), are notified that the Department of Banking and Securities (“Department”), through the Bureau of Securities Compliance and Examinations (“Bureau”), hereby **ORDERS YOU TO SHOW CAUSE** why the Banking and Securities Commission (“Commission”) should not impose the sanctions and remedies described below. Specifically, this proceeding is instituted pursuant to 1 Pa. Code § 35.14 to determine:

- (1) whether the allegations set forth below are true; and
- (2) if these allegations are true, whether there has been a violation of the Pennsylvania Securities Act of 1972 (“1972 Act”) or of the regulations promulgated thereunder;
and
- (3) if so, whether the sanctions and remedies proposed by the Bureau should be imposed by the Commission.

The Bureau alleges the following facts and violations of law for the purpose of tentatively framing the issues for consideration by the Commission. The Commission may consider this matter directly, or may designate a hearing officer to issue a recommended decision prior to the Commission issuing a final order.

STATEMENT OF THE PARTICULARS AND MATTERS
CONCERNING WHICH THE BUREAU IS INQUIRING
PARTIES

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the 1972 Act.

2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

3. The Bureau operates from the Department’s main office located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

4. Respondent PSC was, at all times material herein, a Pennsylvania entity with an address at Redacted .

5. Respondent Pineda was, at all times material herein, an individual with an address at Redacted and Respondent Pineda is an owner and partner of Respondent PSC.

FACTUAL ALLEGATIONS

6. At all times material herein, Respondent PSC maintained a Facebook business page named “Pineda Sanchez Capital” (“Facebook Page”) and offered for sale partnership agreements (“Partnership Agreement”) to potential investors (“Investors”).

7. According to the Facebook Page that was primarily written in Spanish, Respondent PSC's "goal [was] to make one percent daily (minimum) of all the capital we manage, which allows us to make 5% weekly, to divide it between our partners and our company 50/50."

8. From in or about March 2023 through July 2024, the Facebook Page indicated that Respondent PSC could generate a 5% weekly profit from an investment of \$10,000.

9. According to the Facebook Page, Investors could purchase one Partnership Agreement for \$10,000 which offered a 2.5% profit on a weekly basis. Investors were allowed to purchase more than one Partnership Agreement.

10. According to the Facebook Page, Respondent PSC guaranteed that each \$10,000 invested would produce a 2.5% weekly profit for the Investor.

11. From in or about March 2023, Respondent Pineda offered for sale Partnership Agreements in Respondent PSC to Investors throughout the United States. The Partnership Agreements were between the Investors and Respondent PSC. According to the Partnership Agreement, Respondent PSC was purportedly "in business for the purpose of Day Trading Stocks in the U.S. Market."

12. According to the Partnership Agreement, the "profits and losses of the partnership shall be divided 50/50 every week. Pineda Sanchez Capital, LLC will make 5% profit of the New Partnership contribution's per week and will make a deposit or write a check for 2.5% weekly to the New Partner."

13. From in or about March 2023 through July 2024, Respondent Pineda offered and sold 26 Partnership Agreements to at least 17 Investors within the United States for an aggregate amount of at least \$260,000.

14. From in or about March 2023 through July 2024, Respondent Pineda offered and sold 21 Partnership Agreements to at least 14 Pennsylvania residents (“PA Investors”) for an aggregate amount of at least \$210,000.

15. At least four PA Investors were aged 60 or more at the time the PA Investor purchased the Partnership Agreements.

16. Respondent PSC is the “issuer” of the Partnership Agreements described above within the meaning of section 102(l) of the 1972 Act, 70 P.S. § 1-102(l).

17. As an owner and a partner of Respondent PSC, Respondent Pineda acted as an “affiliate” of Respondent PSC within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused Respondent PSC to commit the herein stated acts which violated the 1972 Act.

18. The Partnership Agreements described above are “securities” within the meaning of Section 102(t) of the 1972 Act, 70 P.S. § 1-102(t).

19. The records of the Department disclose that the Partnership Agreements are: (a) not registered under Section 201 of the 1972 Act, 70 P.S. § 1-201; (b) not exempt from registration under Section 202 of the 1972 Act, 70 P.S. § 1-202; (c) not federally covered securities under Section 211 of the 1972 Act, 70 P.S. § 1-211; and (d) that the offers relating to the Partnership Agreement are not exempt under Section 203 of the 1972 Act, 70 P.S. § 1-203.

20. Respondent PSC failed to provide some or all of the Investors with financial statements regarding Respondent PSC, which disclosure would have been material for a reasonable investor to make an informed investment decision. To the extent that Respondent PSC did not have disclosure documents, Respondent Pineda failed to disclose their nonexistence, which would have been material for a reasonable investor to make an informed investment decision.

21. Respondent PSC failed to disclose the following information concerning Respondent PSC to some or all of the Investors:

- a. The financial condition of Respondent PSC;
- b. The financial risk of investing in the Partnership Agreements;
- c. The identity and relevant background of the corporate officers of Respondent PSC;
- d. Respondent PSC's operating history;

22. To date, Respondent PSC has been unable to fulfill its financial obligations to some or all of the Investors.

COUNTS

Violation of Section 201 of the 1972 Act, 70 P.S. § 1-201

26 Counts

23. Paragraphs 1 through 22 are incorporated herein by reference as if set forth in their entirety.

24. By engaging in the acts and conduct set forth in paragraphs 6 through 19 above, Respondent PSC and Respondent Pineda offered and sold the Partnership Agreements to Pennsylvania residents in willful violation of Section 201 of the 1972 Act, 70 P.S. § 1-201.

Violation of Section 401(b) of the 1972 Act, 70 P.S. § 1-401(b)

26 Counts

25. Paragraphs 1 through 24 are incorporated herein by reference as if set forth in their entirety.

26. By engaging in the acts and conduct set forth in paragraphs 6 through 21 above, Respondent PSC and Respondent Pineda, in connection with the offer and sale of the Partnership Agreements, omitted to state material facts necessary in order to make the statements made, in

light of the circumstances under which they are made, not misleading, in willful violation of Section 401(b) of the 1972 Act, 70 P.S. § 1-401(b).

Violation of Section 401(c) of the 1972 Act, 70 P.S. § 1-401(c)

26 Counts

27. Paragraphs 1 through 26 are incorporated herein by reference as if set forth in their entirety.

28. By engaging in the acts and conduct set forth in paragraphs 6 through 22 above, Respondent PSC and Respondent Pineda, in connection with the offer and sale of the Partnership Agreements, engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon any person, in willful violation of Section 401(c) of the 1972 Act, 70 P.S. § 1-401(c).

SANCTIONS AND REMEDIES

WHEREAS, the Bureau respectfully requests the penalties and relief pursuant to its authority under the 1972 Act:

1. That an order be issued pursuant to Section 512 of the 1972 Act, 70 P.S. § 1-512, which bars, conditionally or unconditionally, and either permanently or for such period of time as may be determined, Respondent PSC and Respondent Pineda from:

- a. Representing an issuer offering or selling securities in this State;
- b. Acting as a promoter, officer, director or partner of an issuer (or an individual occupying a similar status or performing similar functions) offering or selling securities in this State or of a person who controls or is controlled by such issuer;

- c. Being registered as a broker-dealer, agent, investment adviser or investment adviser representative under Section 301 of the 1972 Act;
- d. Being an affiliate of any person registered under Section 301 of the 1972 Act; or
- e. Relying upon an exemption from registration contained in Section 202, 203 or 302 of the 1972 Act.

2. That Respondent PSC and Respondent Pineda be ordered to effect a rescission offer pursuant to Section 513 of the 1972 Act, 70 P.S. § 1-513.

3. That Respondent PSC and Respondent Pineda be ordered to return to purchasers of securities in this Commonwealth, in cash, the amount of compensation received for effecting those securities transactions pursuant to Section 514 of the 1972 Act, 70 P.S. § 1-514.

4. That Respondent PSC and Respondent Pineda be ordered to pay the costs of the investigation pursuant to Section 602.1(b) of the 1972 Act, 70 P.S. § 1-602.1(b).

5. That Respondent PSC and Respondent Pineda be ordered to pay an administrative assessment of up to \$100,000.00 for each act or omission constituting a willful violation of the 1972 Act, pursuant to Section 602.1(c) of the 1972 Act, 70 P.S. §1-602.1(c).

IT IS SO ORDERED.



FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES
BUREAU OF SECURITIES COMPLIANCE AND
EXAMINATIONS

Redacted

Eric Pistilli
Deputy Secretary of Securities

Dated: 04/02/2026

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES**

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING AND	:	
SECURITIES, BUREAU OF SECURITIES	:	
COMPLIANCE AND EXAMINATIONS	:	Docket No. : 260010(SEC-OSC)
	:	
v.	:	
	:	
PINEDA SANCHEZ CAPITAL COMPANY	:	
d/b/a PINEDA SANCHEZ CAPITAL, LLC	:	
RICHARD PINEDA	:	
	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order to Show Cause upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST-CLASS MAIL

Pineda Sanchez Capital, LLC
Redacted

Richard Pineda
Redacted

Dated this 7th day of April, 2026

Redacted

Michael J. Gennett
Assistant Counsel
Attorney ID # 73138
Office of Chief Counsel
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
Market Square Plaza
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471