

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Securities Act of Washington by:

5 Bonanza Global Solutions, LLC,
6 Francisco Sarabia,
Paz Sanchez-Majano,
Respondents.

Order No. S-23-3634-23-SC01

STATEMENT OF CHARGES AND NOTICE OF
INTENT TO ENTER ORDER TO CEASE AND
DESIST, TO IMPOSE A FINE, AND TO CHARGE
COSTS

7 **THE STATE OF WASHINGTON TO:**

Bonanza Global Solutions, LLC
Francisco Sarabia
Paz Sanchez-Majano

8
9
10 **STATEMENT OF CHARGES**

11 Please take notice that the Securities Administrator of the State of Washington has reason to believe
12 that Respondents Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano violated the
13 Securities Act of Washington. The Securities Administrator believes these violations justify the entry of an
14 order against Respondents Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano to
15 cease and desist from such violations, to impose a fine, and to charge costs pursuant to RCW 21.20.390 and
16 RCW 21.20.395. The Securities Administrator finds as follows:

17 **TENTATIVE FINDINGS OF FACT**

18 **Respondents**

19 1. Bonanza Global Solutions, LLC (“Bonanza”) is a California entity formed on February 24,
20 2022, with its principal place of business in Beverly Hills, California. Bonanza Global Solutions, LLC
21 purports to be “a hedge fund with the mission of providing our partners with attractive profitability and growth
22 opportunities.”

1 2. Francisco Sarabia (“Sarabia”) resided in Paramount, California. Francisco Sarabia was the
2 President, Co-Founder, and CEO of Bonanza at all relevant times.

3 3. Paz Sanchez-Majano (“Sanchez-Majano”) resided in Riverside, California. Paz Sanchez-
4 Majano was the Managing Partner, Co-Founder, and COO of Bonanza at all relevant times.

5 **Nature of the Conduct**

6 **Overview**

7 4. Beginning no later than September 30th, 2022, Bonanza, Sarabia, and Sanchez-Majano offered
8 and sold unregistered securities to Washington state residents in the form of investment contracts.

9 5. Respondents sold a minimum of \$15,000 of these securities to at least two Washington
10 residents. In these offers and sales, for which they were not registered, Bonanza, Sarabia, and Sanchez-Majano
11 made material misrepresentations and omissions.

12 **The Offering**

13 6. Bonanza offered several “Bonanza Packages” and “Bonanza VIP Packages” (collectively, the
14 “Packages”) to investors via Respondents’ website, bonanzaglobalsolutions.net. In its marketing of the
15 Packages, Bonanza touted itself as having “the best traders and diversification strategies” for investors.

16 7. Bonanza’s Packages ranged in purchase price from \$500 for the “Junior Bonanza Package” to
17 \$1 million for the “Legendary Bonanza VIP Package.”

18 8. Bonanza represented that, for each package, investors could choose their withdrawal interval
19 and receive a return on investment (“ROI”) as follows: “Monthly: 10%, Quarterly: 12.5%, Every 6 Months:
20 13.75%, Annually: 15%.”

21 9. Investors purchased these Bonanza Packages by signing a note for repayment with interest. In
22 order for investors to receive a profit, investors were solely required to invest funds into Bonanza and sign an
23 investment note that purported to offer a 10% monthly return.

1 10. Bonanza then, in its sole discretion, pooled and invested investor funds “to earn attractive
2 returns for their investors.”

3 11. In an effort to make investors feel more secure in their investment, Bonanza represented to
4 investors that they “allow[ed] qualified investors to insure their investment for a period of 2 years with a fixed
5 monthly return of 5% thru New York Life Insurance.”

6 12. Bonanza further offered investors a “Money Back Guaranteed” where investors could
7 purportedly receive 80% of the capital they invested within five business days if they made a written request
8 for “immediate access” to their funds.

9 13. Respondents also offered an Affiliate program whereby, after signing up for the Affiliate
10 program, investors could introduce and refer new clients and affiliates to Bonanza. When an affiliate
11 successfully referred a new investor who purchased any of the Bonanza investment packages, the referring
12 affiliate would receive a “bonus equivalent to 7% of the program acquired in the first level and 5% in the
13 second level.”

14 14. As of December of 2023, Respondents appear to have stopped offering their Packages and
15 Affiliate program on their website, bonanzaglobalsolutions.net. Beginning in December 2023, the website
16 bonanzaglobalsolutions.net represents itself as offering crypto market analysis and “comprehensive insights
17 into the world of cryptocurrency, investing, and everything related to the dynamic realm of digital assets.”

18 Investor A

19 15. On or about September 30th, 2022, Investor A purchased a Package from Bonanza for \$5,000.
20 Investor A and Sanchez-Majano then executed a note on October 3rd, 2022, outlining the terms of the purchase
21 agreement.

22
23

1 16. Investor A and Sanchez-Majano agreed that the note would mature on September 30th, 2023,
2 and that Investor A would receive a monthly interest payment of 10% from September 2022 through
3 September 2023.

4 17. Under the terms of the note, both parties agreed that the note was “being acquired for
5 investment.” Other than providing the initial capital, the terms of the note did not require Investor A to take
6 any further action to receive the 10% monthly ROI.

7 18. Investor A received an interest payment in October of 2022, but did not receive any further
8 interest payments as promised. Despite Investor A’s requests to continue receiving interest payments or to
9 recover the initial funds, Investor A has not received any refund.

10 Investor B

11 19. On or about September 30th, 2022, Investor B purchased a Package from Bonanza for \$10,000.
12 Investor B and Sanchez-Majano then executed a note on October 3rd, 2022, outlining the terms of the purchase
13 agreement.

14 20. Investor B and Sanchez-Majano agreed that the note would mature on September 30th, 2023,
15 and that Investor B would receive a monthly interest payment of 10% from September of 2022 through
16 September of 2023.

17 21. Under the terms of the note, both parties agreed that the note was “being acquired for
18 investment.” Other than providing the initial capital, the terms of the note did not require Investor B to take
19 any further action to receive the 10% monthly ROI.

20 22. Investor B received an interest payment in October of 2022, but did not receive any further
21 interest payments as promised. Despite Investor B’s attempts to continue receiving interest payments or
22 recover the initial funds, Investor B has not received any refund.

23

1 **Misrepresentations and Omissions**

2 23. Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano failed to disclose
3 to investors that the Bonanza Packages are securities, and that anyone who offers or sells securities in the state
4 of Washington must be registered or exempt from registration.

5 24. Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano failed to provide
6 prospective investors with Private Placement Memorandums (“PPM”), or something similar, to provide
7 investors with material information to make informed decisions about investing with Bonanza.

8 25. Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano failed to furnish
9 investors with information regarding the company’s financial condition, business, results of operations, or
10 management.

11 26. While offering and selling Bonanza Packages, Bonanza Global Solutions, LLC, Francisco
12 Sarabia, and Paz Sanchez-Majano failed to provide a reasonable basis for their revenue projections.

13 **Registration Status**

14 27. Bonanza Global Solutions, LLC is not currently registered to sell its securities in the state of
15 Washington and has not previously been so registered, nor has it filed a claim of exemption from registration.

16 28. Francisco Sarabia is not currently registered as a securities salesperson or broker-dealer in the
17 state of Washington and has not previously been so registered.

18 29. Paz Sanchez-Majano is not currently registered as a securities salesperson or broker-dealer in
19 the state of Washington and has not previously been so registered.

20 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

21 **CONCLUSIONS OF LAW**

22 1. The offer and/or sale of the securities described above constitutes the offer and/or sale of a
23 security as defined in RCW 21.20.005(14) and (17).

1 2. Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano violated RCW
2 21.20.140, the securities registration section of the Securities Act of Washington, by offering and/or selling
3 securities for which no registration is on file with the Securities Administrator.

4 3. Francisco Sarabia and Paz Sanchez-Majano violated RCW 21.20.040, the licensee registration
5 section of the Securities Act of Washington, by offering and/or selling said securities while not being
6 registered as a securities salesperson or broker-dealer in the state of Washington.

7 4. Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz Sanchez-Majano violated RCW
8 21.20.010, the anti-fraud section of the Securities Act of Washington, by making untrue statements of material
9 fact or omitting to state material facts necessary to make the statements made, in light of the circumstances in
10 which they were made, not misleading.

11 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

12 Pursuant to RCW 21.20.390(1), and based upon the Tentative Findings of Fact and Conclusions of
13 Law, the Securities Administrator intends to order Bonanza Global Solutions, LLC, Francisco Sarabia, and
14 Paz Sanchez-Majano, and their agents and employees, to each permanently cease and desist from violating
15 RCW 21.20.010 and RCW 21.20.140, and Francisco Sarabia and Paz Sanchez-Majano, and their agents and
16 employees, to each permanently cease and desist from violating RCW 21.20.040.

17 **NOTICE OF INTENT TO IMPOSE FINES**

18 Pursuant to RCW 21.20.395, and based upon the Tentative Findings of Fact and Conclusions of Law,
19 the Securities Administrator intends to order that:

- 20 a. Bonanza Global Solutions, LLC shall be liable for and shall pay a fine of \$20,000;
- 21 b. Francisco Sarabia shall be liable for and shall pay a fine of \$20,000; and
- 22 c. Paz Sanchez-Majano shall be liable for and shall pay a fine of \$20,000.

23

1 **NOTICE OF INTENT TO CHARGE COSTS**

2 Pursuant to RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of Law,
3 the Securities Administrator intends to order that Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz
4 Sanchez-Majano shall be jointly and severally liable for and for and shall pay the costs, fees, and other
5 expenses incurred in the administrative investigation and hearing of this matter, in an amount not less than
6 \$1,375.

7 **AUTHORITY AND PROCEDURE**

8 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject
9 to the provisions of Chapter 34.05 RCW. Bonanza Global Solutions, LLC, Francisco Sarabia, and Paz
10 Sanchez-Majano may each make a written request for a hearing as set forth in the Notice of Opportunity for
11 Hearing accompanying this Order. If a respondent does not make a hearing request in the time allowed, the
12 Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as
13 final and to enter a permanent order to cease and desist as to that respondent, to impose any fines sought
14 against that respondent, and to charge any costs sought against that respondent.

15
16 SIGNED and ENTERED this 5th day of January, 2024.



22 /s/

23 _____
William M. Beatty
Securities Administrator

