

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 72667 / July 24, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-14641

In the Matter of

CHARLES L. RIZZO and
GINA M. HORNBOGEN,

Respondents.

ORDER APPROVING
AMENDED PLAN OF
DISTRIBUTION

On July 20, 2012, the Securities and Exchange Commission (“Commission”) issued an Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 and Section 15(b)(6) of the Securities Exchange Act of 1934 against Charles L. Rizzo (“Rizzo”) and Gina M. Hornbogen (“Hornbogen”) (collectively, “Respondents”) (the “Order”) (Exchange Act Rel. No. 67479 (July 20, 2012)). The Order found that Respondents failed reasonably to supervise Steven Salutric (“Salutric”), who, while acting as an investment adviser for Results One Financial, LLC, misappropriated millions of dollars from his advisory clients at Results One.

In the Order, Rizzo was ordered to pay disgorgement of \$35,079, prejudgment interest of \$7,731, and civil penalties of \$130,000, and Hornbogen was ordered to pay disgorgement of \$15,592, prejudgment interest of \$3,467, and civil penalties of \$25,000. The Order created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended. The Fair Fund is comprised of the disgorgement, prejudgment interest and penalties ordered to be paid by Respondents, for distribution to clients of Results One who suffered a net loss of funds as a result of Salutric’s misappropriation of funds during the period of time, June 1, 2003 through

December 31, 2009, when the Respondents failed to reasonably supervise Salutric (collectively, “Eligible Clients”).

On September 30, 2013, pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, the Commission issued a Notice of Proposed Plan of Distribution and Opportunity for Comment (Exchange Act Rel. No. 70573 (Sept. 30, 2013)). The Notice provided all interested parties thirty (30) days to submit a comment on the Proposed Plan of Distribution (“Proposed Plan”). The Notice advised interested parties that they could obtain a copy of the Proposed Plan from the Commission’s public website or by submitting a written request to Nancy Chase Burton, Esq., United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-5631. All persons who desired to comment on the Proposed Plan could submit their comments, in writing, no later than thirty (30) days from the date of the Notice. Two comments were submitted. On June 18, 2014, the Commission issued a Notice of Amended Proposed Plan of Distribution and Opportunity for Comment in order to respond to the comments received and include two additional Eligible Fair Fund recipients (Exchange Act Rel. No. 72429 (June 18, 2014)). No additional comments were submitted.

The Amended Proposed Plan of Distribution (“Amended Plan”) provides for a distribution of the Fair Fund comprised of the amounts of disgorgement, prejudgment interest and civil monetary penalties paid by Respondents, less any federal, state, or local taxes and costs and expenses of distributing the Fair Fund. Rizzo has paid \$172,810 in disgorgement, prejudgment interest and civil monetary penalties, and Hornbogen has paid at least \$29,202.05 in disgorgement, prejudgment interest, and civil monetary penalties. The remainder of Hornbogen’s payments, plus post-order interest, is to be paid in installments through July 2015. It is anticipated that there will be two disbursements to the Eligible

Clients, the latter of which is anticipated to occur after all scheduled payments have been received.

The Amended Plan provides for distribution of the Fair Fund to Eligible Clients, and further provides for all Eligible Clients to receive monies from the Fair Fund that represents their proportionate share of the distributable amount of the Fair Fund. The Fair Fund is not being distributed according to a claims-made process.

The Division of Enforcement now requests that the Commission approve the Amended Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104, 17 C.F.R. § 201.1104, that the Amended Plan is approved.

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

Lynn M. Powalski
Deputy Secretary