

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 104236 / November 21, 2025

ADMINISTRATIVE PROCEEDING
File No. 3-18947

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In the Matter of	:	
	:	
PPS Advisors, Inc. and Lawrence	:	ORDER AUTHORIZING THE TRANSFER
Nicholas Passaretti,	:	TO THE U.S. DEPARTMENT OF THE
	:	TREASURY OF THE REMAINING FUNDS
	:	AND ANY FUNDS RETURNED TO THE
Respondents.	:	FAIR FUND IN THE FUTURE AND
_____	:	TERMINATING THE FAIR FUND
	:	

On December 20, 2018, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and Cease-and-Desist Order (the “Order”)¹ against PPS Advisors, Inc. (“PPS”), formerly an investment adviser, and Lawrence Nicholas Passaretti (“Passaretti”), the co-founder, majority owner, Chief Executive Officer, and Chief Investment Officer of PPS (collectively, the “Respondents”). In the Order, the Commission found that PPS willfully violated and Passaretti caused PPS’s violations of Sections 206(2), 206(4), and 207 of the Advisers Act and Rule 206(4)-7 thereunder.

The Commission ordered the Respondents to pay, joint and severally, \$600,000 in disgorgement, \$31,746 in prejudgment interest, and a \$75,000 civil money penalty, for a total of \$706,746. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty paid, along with the disgorgement and prejudgment interest paid, could be distributed to harmed investors (the “Fair Fund”).

Pursuant to the Order, the Respondents were responsible for administering the Fair Fund at their own expense pursuant to a calculation specified in the Order. The Respondents disbursed the Fair Fund to those advisory clients harmed by the conduct described in the Order. A \$20.00 *de minimis* amount was applied to former clients.

The Respondents distributed 1,177 payments totaling \$706,746, of which \$687,899.98 was successfully disbursed to recipients, resulting in 1,110 successful payments, and investors being compensated for 67.35% of their losses. Distribution payments ranged from \$0.24 to

¹ Advisers Act Rel. No. 5084 (Dec. 20, 2018).

\$11,662.01. The Respondents have returned \$18,846.02 to the Commission that consists of uncashed checks, returned funds, and other residual amounts (e.g., amounts resulting from rounding).

The Order further requires the Respondents to provide a final accounting to the Commission staff for submission to the Commission for approval. Upon approval of the final accounting, all remaining amounts in the Fair Fund, and any funds returned in the future, are to be sent to the U.S. Department of the Treasury (the “Treasury”). The final accounting has been submitted to the Commission for approval, as required by the Order, and has been approved.

Accordingly, it is ORDERED that:

- A. the remaining funds in the amount of \$18,846.02, and any funds returned to the Fair Fund in the future, shall be transferred to the Treasury, subject to Section 21F(g)(3) of the Securities Exchange Act of 1934; and
- B. the Fair Fund is terminated.

By the Commission.

Vanessa A. Countryman
Secretary