

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 2740/May 29, 2015

ADMINISTRATIVE PROCEEDING  
File No. 3-16354

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In the Matter of

DAVID B. HAVANICH, JR.,	:	
CARMINE A. DELLASALA, MATTHEW D. WELCH,	:	
RICHARD HAMPTON SCURLOCK, III,	:	ORDER
RTAG INC. d/b/a RETIREMENT TAX ADVISORY GROUP,	:	
JOSE F. CARRIO, DENNIS K. KARASIK,	:	
CARRIO, KARASIK & ASSOCIATES, LLP, and	:	
MICHAEL J. SALOVAY	:	

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The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on January 23, 2015, pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934 (Exchange Act), and Sections 203(e) and (f) of the Investment Advisers Act of 1940. The hearing is scheduled to commence on July 6, 2015, in Washington, D.C.<sup>1</sup>

On May 21, 2015, the proceeding was stayed as to Respondents Jose F. Carrio, Dennis K. Karasik, and Carrio, Karasik & Associates, LLP (Settling Respondents), pursuant to and contingent on compliance with 17 C.F.R. § 201.161(c)(2). *David B. Havanich*, Admin. Proc. Rulings Release No. 2709, 2015 SEC LEXIS 2019 (A.L.J. May 21, 2015) (Stay Order). The Stay Order was issued in response to the Joint Motion of Division of Enforcement and [Settling Respondents] to Stay Proceeding pending Commission's Consideration of Settlement Offer (Joint Motion), which stated, "The Division and Settling Respondents have reached a settlement in principle, and the Division is awaiting receipt of the original executed settlement papers." Joint Motion at 2. Thereafter, the Division's May 26, 2015, Notice of Nature of Respondents' Settlement Offer (Notice) advised that the parties had not "agreed in principle to a settlement on all major terms" that would resolve the proceeding as to the Settling Respondents within the meaning of 17 C.F.R. § 201.161(c)(2). Accordingly, the Stay Order must be vacated.

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<sup>1</sup> The proceeding has ended as to Respondents David B. Havanich, Jr., Carmine A. DellaSala, and Matthew D. Welch. *David B. Havanich, Jr.*, Exchange Act Release Nos. 75043, 75044, 75045; 2015 SEC LEXIS 2144, 2146, 2147 (May 26, 2015).

The Notice advises that the Settlement Offer, if accepted by the Commission, would include cease-and-desist orders and associational bars, but would require additional proceedings to determine the amount of disgorgement and prejudgment interest and the amount, if any, of civil monetary penalties. The Notice states that the Settlement Offer includes facts identical to the allegations in the OIP that would be deemed to be true for the purpose of the disgorgement and penalty proceeding and opines that the disgorgement and penalty issues could be determined on the basis of a motion for summary disposition. Under the circumstances, the Division and the Settling Respondents should incorporate the terms of the Settlement Offer into a stipulation and present evidence relevant to the issue of sanctions at the scheduled hearing; alternatively, the Division and Settling Respondents may agree to resolve the issue of sanctions through summary disposition now. If these parties agree, the motion[s] for summary disposition will be due on June 15, 2015, and oppositions, on June 22, 2015. Any filings related to an individual Respondent's inability to pay, pursuant to 17 C.F.R. § 201.630, should be submitted under seal and will be subject to a protective order pursuant to 17 C.F.R. § 201.322.<sup>2</sup>

IT IS SO ORDERED.

/S/ Carol Fox Foelak  
Carol Fox Foelak  
Administrative Law Judge

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<sup>2</sup> Although the record in a public hearing is presumed to be public, the harm resulting from disclosure of an individual's financial situation outweighs the benefits. *See* 17 C.F.R. § 201.322(b). Disclosure of financial information concerning an individual is presumed harmful. It is specifically limited in various statutes, for example, Exemption 4 of the Freedom of Information Act, 5 U.S.C. § 552(b)(4), and the Privacy Act, 5 U.S.C. § 552a. There is no benefit from disclosure in this case.