

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

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 3119/September 11, 2015

ADMINISTRATIVE PROCEEDING  
File No. 3-16354

---

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

---

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings on January 23, 2015, pursuant to Section 8A of the Securities Act of 1933 (Securities Act), 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.<sup>1</sup> On September 2, 2015, the Commission issued an order that, pursuant to Michael J. Salovay's (Salovay) offer of settlement, resolved all issues in this proceeding as to him except for the determination of the amount of disgorgement he should be ordered to pay and whether he should be ordered to pay a civil penalty, and, if so, the amount. *David B. Havanich, Jr.*, Exchange Act Release No. 75810, 2015 SEC LEXIS 3634 (Sept. 2, 2015). The Commission stated that these issues may be determined on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence. *Id.* at \*23-24.

A prehearing conference was held today. The Division of Enforcement (Division) and Salovay, *pro se*, appeared. The Division may file a brief as to sanctions, supplementing its previously filed motion for summary disposition as to Salovay, by September 25, 2015, and Salovay may respond by October 9, 2015.

---

<sup>1</sup> The proceeding has ended as to David B. Havanich, Jr., Carmine A. DellaSala, and Matthew D. Welch. See *David B. Havanich, Jr.*, Securities Act Release Nos. 9791, 97912, 9793; 2015 SEC LEXIS 2144, 2146, 2147 (May 26, 2015).

Salovay intends to argue inability to pay disgorgement or penalties, pursuant to 17 C.F.R. § 201.630. His filing concerning this is to be submitted under seal and will be subject to a protective order pursuant to 17 C.F.R. § 201.322. Although the record in a public hearing is presumed to be public, the harm resulting from disclosure of Salovay'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.

IT IS SO ORDERED.

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