



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

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DIVISION OF ENFORCEMENT

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December 19, 2018

Via ECF

The Honorable William J. Martini
U.S. District Court for the District of New Jersey
Martin Luther King Building & U.S. Courthouse
50 Walnut Street Room 4015
Newark, NJ 07101

Re: Securities and Exchange Commission v. James R. Trolice et al., 2:16-cv-02513-WJM-MF

Dear Judge Martini:

I write on behalf of the Securities and Exchange Commission (“SEC”), the plaintiff in this action, to inform the Court that the SEC no longer intends to seek further relief (that is, monetary relief) against Defendants James R. Trolice (“Trolice”) and Lee P. Vaccaro (“Vaccaro,” and together with Trolice, the “Defendants”) in this case, in light of the criminal convictions, forfeiture and restitution orders, and prison terms, imposed upon each of them in the parallel criminal cases.

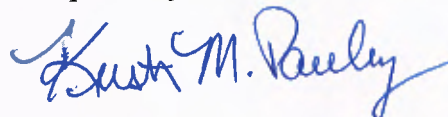
Each of the Defendants consented to the entry of a judgment of permanent injunction and other relief, which consents provided, in part, that the Court shall order disgorgement of ill-gotten gains, prejudgment interest thereon, and a civil penalty. (ECF Nos. 12, 19) (collectively, the “Consents”). Pursuant to the Consents, this Court entered Judgments as to each of the Defendants, which, among other things, permanently enjoined them from violations of certain provisions of the federal securities laws and provided that the Court would determine the amounts of the monetary relief for Defendants upon motion of the Commission at a later date. (ECF Nos. 13, 21) (collectively, the “Judgments”).

Since entry of the Judgments, this Court has sentenced and ordered each of the Defendants to pay forfeiture and restitution in related criminal cases. *See U.S. v. James Trolice*, 2:17-cr-00120-WJM (D.N.J.) (ECF Nos. 20, 21); *U.S. v. Lee Vaccaro*, 2:16-cr-00254-WJM (D.N.J.) (ECF No. 21). In light of these criminal sanctions, the Commission has determined to forgo its claims for disgorgement, prejudgment interest thereon, and a civil penalty against Defendants Trolice and Vaccaro in this action. By copy of this letter we are informing Defendants Trolice and Vaccaro of the Commission’s decision to forgo the monetary relief.

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Accordingly, the Commission does not intend to make any further submissions regarding the amounts of the monetary relief for the Defendants. The Commission believes that its decision to forgo such relief resolves the instant litigation in its entirety.

Respectfully submitted,



Kristin M. Pauley
Attorney for Plaintiff
Securities and Exchange Commission

cc: James R. Trolice (via U.S. Mail)
Lee P. Vaccaro (via U.S. Mail)