UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 69750 / June 13, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15356

In the Matter of

REVLON, INC.,

Respondent.

ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS AND IMPOSING CIVIL PENALTIES AND A CEASE-AND-DESIST ORDER

I.

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 ("Exchange Act") against Revlon, Inc. ("Respondent").

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Civil Penalties and a Cease-and-Desist Order ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

Summary

1. This matter involves Revlon's violations of Exchange Act Section 13(e) and Rule 13e-3 thereunder, which provide critical investor protections to shareholders involved in "going-private" transactions. In particular, Revlon violated Exchange Act Section 13(e) and Rule 13e-3(b)(1)(iii) thereunder, which prohibits an issuer (in connection with a Rule 13e-3 transaction) from directly or indirectly engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person. The Commission promulgated rules such as Rule 13e-3(b)(1)(iii) because, among other things, it recognized that going private transactions presented opportunities for overreaching and abuse by issuers and their affiliates, and the terms of going-private transactions may be designed to accommodate the interests of affiliated parties because the negotiations ordinarily are not conducted at arm's-length.[1]

2. Here, Revlon engaged in various acts described as "ring-fencing," which were acts undertaken by Revlon to avoid receiving an opinion from a third-party financial adviser who ultimately found that the terms of Revlon's proposed "going-private" transaction did not provide for adequate consideration (as that term is used in the Employee Retirement Income Security Act of 1974 ("ERISA")) to participants in Revlon's 401(k) plan. Revlon's "ring-fencing" acts operated as a fraud or deceit upon Revlon's minority shareholders – as they rendered various disclosures in Revlon's publicly-filed offering documents materially misleading to Revlon's minority shareholders.

3. In 2009, Revlon owed a significant debt to its controlling shareholder. To address this significant debt, Revlon and its controlling shareholder ultimately proposed a going-private, voluntary exchange offer transaction. In this transaction, Revlon's minority shareholders could decide whether to exchange their Revlon common stock shares for newly-issued preferred stock with certain financial characteristics. The exchanged common stock shares would ultimately be provided to Revlon's controlling shareholder, thereby reducing Revlon's debt.

4. Revlon had many minority shareholders. A subset of those minority shareholders included Revlon current and former employees, as well as Revlon retirees and beneficiaries, who held Revlon shares in Revlon's 401(k) plan ("401(k) members"). Revlon's 401(k) plan was

[1] See Release No. 34-16075 (August 2, 1979); In the Matter of William A. Wilkerson, et al., Exchange Act Rel. No. 48703 (October 27, 2003).

administered by a Massachusetts trust company (the "trustee"), which determined that it could only allow 401(k) members to tender their shares in the exchange offer if a third-party financial adviser found that the exchange offer provided for "adequate consideration." Thus, a third-party financial adviser had to determine whether tendering 401(k) members would receive an asset whose value at least equaled the fair market value of the exchanged common stock shares ("the adequate consideration opinion" or "the adequate consideration determination").

5. Whether the trustee could allow 401(k) members to tender their shares rested solely on the result of the adequate consideration opinion. If the third-party financial adviser determined that the exchange offer provided for adequate consideration, then the trustee would allow 401(k) members to tender their shares. The trustee informed Revlon that this opinion would wholly determine whether it could allow 401(k) members to tender their shares.

6. Revlon did not want to disclose the adequate consideration determination to shareholders considering the exchange offer. To avoid a potential disclosure obligation, Revlon engaged in several acts to avoid receiving the adequate consideration determination. For example, Revlon proposed and entered into an amendment to the trust agreement it had with the trustee to ensure that the trustee would not share the adequate consideration determination with it; ensured that it was not a party to any engagement letter concerning the adequate consideration determination; and directed the trustee to inform Revlon of its decision whether to allow 401(k) members to tender their shares without any reference to the adequate consideration determination. A Revlon employee described these acts as "ring-fencing."

7. Ultimately, the third-party financial adviser found that the exchange offer did not provide adequate consideration to tendering 401(k) members. Thus, the 401(k) members who wished to tender their shares in the exchange offer could not do so. Neither Revlon's minority shareholders nor its Independent Board members knew the adviser determined that the consideration to be received by 401(k) members – which was the same consideration to be received by Revlon's non-401(k) minority shareholders – was not "adequate consideration" under ERISA. Moreover, neither Revlon minority shareholders nor its Independent Board members knew that Revlon had engaged in several acts to "ring-fence" that determination.

8. Revlon's Independent Board members were charged with the critical responsibility of determining the fairness of the exchange offer for all of Revlon's minority shareholders (including those who decided to tender their shares and those who decided to not tender their shares) and for evaluating and, ultimately approving, the exchange offer for consideration by minority shareholders.

9. Revlon made a number of disclosures to minority shareholders concerning the Board's fairness determination and ultimate approval of the exchange offer – and the process the Board

engaged in to reach its determinations. Revlon's disclosures concerning the Board's process were materially misleading because Revlon had concealed from both its Board and minority shareholders that it had engaged in "ring-fencing." In addition, Revlon's "ring-fencing" deprived minority shareholders of the opportunity to receive revised, qualified, or supplemental disclosures, including any that might have informed them of the adviser's ultimate determination that the voluntary exchange offer did not provide adequate consideration for 401(k) members under ERISA.

Respondent

10. **Revlon, Inc. ("Revlon")** is a Delaware Corporation with principal executive offices located in New York, New York. Revlon and its subsidiaries manufacture, market and sell cosmetics, women's hair color, beauty tools, anti-perspirants and deodorants, fragrances, skincare and other beauty care products worldwide. Revlon's Class A common stock is traded on the New York Stock Exchange.

Background

11. In early 2009, Revlon was largely owned by MacAndrews & Forbes Holdings Inc. ("M&F" or "controlling shareholder"), which owned approximately 58% of Revlon's Class A common stock and 100% of Revlon's Class B common stock, together representing approximately 75% of the combined voting power of all of Revlon's outstanding equity securities. Throughout 2009, Revlon's board of directors consisted of three M&F executives (one of whom was also a member of Revlon management), another member of Revlon management, and at least seven independent directors.

12. As Revlon reported in its first quarter 2009 Form 10-Q, Revlon was a highly-leveraged company with approximately $1.3 billion in long-term debt and long-term debt instruments that had various maturity dates.

13. One of these long-term debt instruments was a senior subordinated term loan that the controlling shareholder had provided to Revlon to pay off the principal amount on other senior subordinated notes. By April 2009, Revlon owed the controlling shareholder $107 million on this loan which had a maturity date of the earlier of August 1, 2010 or the date Revlon issued equity with gross proceeds of at least $107 million (the "$107M term loan").[2]

14. Revlon faced significant consequences if it was unable to repay the controlling shareholder on the $107M term loan. In particular, while the $107M term loan was subordinate to Revlon's more senior long-term debt, failure to repay the loan would trigger a default event under certain other Revlon long-term debt instruments.

[2] While the $107M term loan had a maturity date of August 1, 2010, if Revlon had not repaid it by September 30, 2009, Revlon would have had to classify it as a current maturity.

15. In April 2009, to address the $107M term loan's pending maturity, M&F proposed a mandatory merger transaction – a transaction that would have taken Revlon private. Under the merger proposal, each Revlon common stock shareholder would give up their common stock shares, on a one-for-one basis, for a newly issued preferred share with certain financial characteristics. For example, the newly issued preferred share would provide for certain dividend payments on a quarterly basis for a number of years.

16. The controlling shareholder would ultimately receive the surrendered common stock shares; reduce the debt on the $107M term loan by up to $75 million; and for the remaining debt, extend the maturity date with an increased interest rate. On April 20, 2009, Revlon publicly disclosed the merger proposal.

17. To evaluate the merger proposal, Revlon's Independent Board members formed a Special Committee which, among other things, retained a financial adviser to opine on whether the merger proposal was financially fair to Revlon and its minority shareholders.

18. The financial adviser subsequently advised the Special Committee that, if asked, it would find the merger proposal was not financially fair to Revlon and its minority shareholders. Accordingly, by early June 2009, the merger proposal was no longer under consideration.

19. Revlon, however, still faced the impending maturity of the $107M term loan. In June 2009, the controlling shareholder asked Revlon's Independent Board members to consider a voluntary exchange offer to address the $107M term loan.

20. Revlon's Independent Board members were charged with the critical responsibility of determining the fairness of the exchange offer for all of Revlon's minority shareholders (including those who decided to tender their shares and those who decided to not tender their shares) and for evaluating and, ultimately approving, the exchange offer for consideration by minority shareholders.

21. The terms of the voluntary exchange offer were, in many respects, similar to that of the merger proposal. Revlon would offer its minority shareholders the option to exchange, on a one-for-one basis, their common stock shares for a newly-issued preferred share with certain financial characteristics. More specifically, Revlon minority shareholders would receive an annual dividend of 12.75% (paid quarterly), and at the end of four years, Revlon would pay tendering shareholders $5.21 per share for their preferred stock. Tendering shareholders would not, however, participate in any equity appreciation of Revlon's publicly-traded common stock, except in the event of a change in control. Unlike the merger proposal, however, the exchange offer was not a mandatory transaction.

22. M&F would ultimately receive new Revlon shares equal in number to the exchanged common stock shares; reduce the debt on the $107M term loan by up to $105 million; and for the remaining debt, extend the maturity date with an increased interest rate.

Trustee Informs Revlon that
Adequate Consideration Determination is Required

23. Revlon had many minority shareholders. A subset of those minority shareholders included those who invested in Revlon common stock through Revlon's 401(k) plan ("401(k) members"). At the time of the exchange offer, there were more than 20 million shares of Revlon stock eligible to participate in the exchange offer, with 131,714 shares held by 401(k) members. These 401(k) members generally included Revlon current and former employees, retirees, and their beneficiaries. To administer its 401(k) plan, Revlon used a Massachusetts trust company (the "trustee").

24. Revlon had a trust agreement with the trustee that governed the trustee's responsibilities and obligations as administrator of the 401(k) plan. In addition, the trustee was required to act in accordance with existing applicable law, namely ERISA. In general, Revlon or the 401(k) members were responsible for reimbursing the trustee for fees and expenses incurred in connection with the 401(k) plan.

25. Under the applicable ERISA law, the trustee could allow 401(k) members to tender their shares in the exchange offer only if the transaction provided for *"**adequate consideration**"* (emphasis added).

26. The trustee determined that, because the consideration offered in the transaction was neither cash nor a publicly-traded security, it needed to retain a third-party financial adviser to opine whether the transaction provided "adequate consideration" to 401(k) members. In other words, a third-party financial adviser had to determine whether 401(k) members were receiving an asset whose value at least equaled the fair market value of the exchanged common stock shares.

27. Whether the trustee could allow 401(k) members to tender their shares rested solely on the result of the adequate consideration determination. Put simply, if a third-party financial adviser found the exchange offer provided for adequate consideration to 401(k) members, then the trustee would honor a 401(k) member's decision to tender.

28. The trustee subsequently informed Revlon that it needed an adequate consideration opinion from a third-party financial adviser. Moreover, the trustee informed Revlon that this

opinion would wholly determine whether the trustee could allow 401(k) members to tender their shares.

29. Revlon proposed to the trustee alternatives to obtaining an adequate consideration opinion from a third-party financial adviser. For example, Revlon proposed that the trustee simply conclude that the exchange offer provided for inadequate consideration without obtaining an opinion, or obtain a legal opinion instead of an opinion from a third-party financial adviser.

30. Revlon proposed these alternatives to avoid a potential legal obligation to disclose the adequate consideration determination. In particular, in going-private transactions subject to Rule 13e-3 and filed on Schedule 13E-3, Item 1015 of Regulation M-A requires an issuer like Revlon to state whether it has received any report, opinion (other than an opinion of counsel), or appraisal from an outside party that is materially related to the Rule 13e-3 transaction. This disclosure requirement states that such reports, opinions, or appraisals include any that relate to the consideration offered to shareholders in the transaction.

31. The trustee rejected Revlon's proposals and retained a New York-based valuation firm to provide an adequate consideration determination. Revlon not only knew that a third-party financial adviser had been retained for this purpose, but it reimbursed the trustee for the cost of the adequate consideration determination.

Revlon "Ring-Fences" the Adequate Consideration Determination

32. In an effort to avoid any potential disclosure obligations, Revlon subsequently engaged in several acts designed to keep Revlon out of the flow of information concerning the adequate consideration determination. A Revlon employee described Revlon's efforts to avoid receiving the adequate consideration determination as "ring-fencing."

33. Revlon's "ring-fencing" of the adequate consideration determination included the following: First, Revlon proposed and entered into an amendment to the existing trust agreement between it and the trustee. In particular, the trust agreement was amended to mandate that "any reports, documents or other work product (and the contents thereof) prepared by or for the [t]rustee or any such outside advisors shall be the proprietary information of the [t]rustee and shall not be disclosed to [Revlon], its affiliates, any employee of [Revlon] or its affiliates, or any participant in the [401(k) plan] under any circumstances, except as required by a court of competent jurisdiction."

34. To ensure that it had comprehensively "ring-fenced" the adequate consideration determination, Revlon proposed and adopted additional amendments to the trust agreement. For example, Revlon proposed amendments stating that the trustee had sole authority to determine whether to allow 401(k) members to tender their shares. The trustee informed Revlon that the

existing trust agreement already contained a similar provision, and therefore was unnecessary. Notwithstanding this, Revlon insisted on the amendment and it was ultimately adopted.

35. Second, Revlon directed the trustee to exclusively obtain the adequate consideration determination without any Revlon involvement and without Revlon being a party to the engagement letter with the third-party financial adviser. Nevertheless, Revlon reimbursed the trustee for the entire cost of the engagement. If Revlon had not directed the trustee in this manner, Revlon would have been a party to the engagement letter with the trustee and the third-party financial adviser.

36. Third, Revlon instructed the trustee on precisely what it wanted to be told regarding whether the trustee would allow 401(k) members to tender their shares. In particular, Revlon instructed the trustee that it should not communicate any information to Revlon concerning the adequate consideration determination. Rather, Revlon instructed the trustee that it simply wanted to be told whether the trustee would be honoring the 401(k) members' instructions to tender – with no additional information. In essence, Revlon wrote a script of what it wanted to be told.

37. As described earlier, Revlon already knew that the trustee's determination on whether to allow 401(k) members to tender rested solely on the result of the adequate consideration opinion. Thus, as a practical matter, Revlon knew the third-party financial adviser had found the exchange offer did not provide for adequate consideration under ERISA if the trustee informed Revlon it would not be honoring the 401(k) members' instructions to tender.

38. In late July 2009, the trustee drafted a letter to be sent to the 401(k) members concerning the exchange offer. In that letter, the trustee expressly explained that it would only honor the 401(k) members' instructions to tender if a third-party financial adviser determined adequate consideration, and that such an adviser had been retained.

39. In particular, the trustee wrote:

> "The Employee Retirement Income Security Act of 1974, as amended ('ERISA'), and the trust agreement between Revlon and [the trustee] prohibit the sale of Common Shares to Revlon for less than 'adequate consideration.' An independent financial advisor has been engaged to determine whether the consideration the Plan will receive under the Offer constitutes 'adequate consideration' within the meaning of ERISA. If the financial advisor determines that the Plan would not receive adequate consideration in return for the Common Shares tendered through the Exchange Offer, notwithstanding your direction to tender Common Shares in the Exchange Offer, the Common Shares attributable to your account will not be tendered."

40. Revlon reviewed this draft letter and proposed significant revisions to remove provisions which would have disclosed that (i) a third-party financial adviser had been retained, and (ii) the result of the adequate consideration opinion would wholly determine whether the 401(k) members would be able to tender their shares.

41. Revlon revised the letter to read in relevant part:

> "As required by applicable law, [the trustee], as the Plan trustee, will disregard your instructions to tender Class A Common Stock if it determines that following them would result in a non-exempt prohibited transaction under the provisions of the Employee Retirement Income Security Act of 1974, as amended (including the rules, regulations and interpretations thereunder)."

42. The trustee accepted Revlon's proposed revisions and Revlon's version of the letter was ultimately sent to the 401(k) members and was also an exhibit in Revlon's exchange offer public filings with the Commission.

The Third-Party Financial Adviser for the 401(k) Plan
Finds Inadequate Consideration

43. On August 10, 2009, Revlon launched the exchange offer and issued an offering document to shareholders disclosing, among other things, the previously described terms of the transaction. Revlon supplemented the exchange offer filings with amended filings on August 27, 2009 and September 3, 2009.

44. On September 24, 2009, Revlon filed its third – and final – amended exchange offer filing. In this filing, Revlon disclosed that it had increased the proposed dividend payments to tendering shareholders, and also had increased the price-per-share at which it would redeem the tendering shareholders' preferred shares after a certain number of years.

45. The third-party financial adviser evaluated the third amended exchange offer terms – and despite the financial improvements to minority shareholders – found the transaction did not provide 401(k) members with adequate consideration. The third-party financial adviser informed the trustee of this finding. The trustee then informed Revlon it could not allow 401(k) members to tender their shares – and did so in the manner scripted by Revlon, and as described in paragraph 36.

46. On October 8, 2009, the voluntary exchange offer closed and consummated, with approximately 9.3 million shares of Revlon Class A common shares tendering (or approximately 46% of the shares of Revlon Class A common stock not beneficially owned by M&F).

47. Neither Revlon's minority shareholders – nor any of its Independent Board members – knew about the adequate consideration determination, or that Revlon had engaged in a course of conduct to "ring-fence" that determination.

48. Thus, certain 401(k) members – including a Revlon executive – were unable to tender their shares in the exchange offer because of the result of the adequate consideration determination. In essence, the adequate consideration determination provided protection to the 401(k) members, while the remaining tendering minority shareholders had no information concerning the adequate consideration determination or Revlon's "ring-fencing" of that determination.

Revlon's Materially Misleading Disclosures

49. Revlon's third amended exchange offer filing included a section, prominently displayed in bold, entitled "Position of Revlon as to the Fairness of the Exchange Offer." As a general matter, Revlon disclosed in this section the view of its Independent Board members concerning the fairness of the transaction.

50. Specifically, Revlon disclosed that its Independent Directors determined the transaction was fair to Revlon, and fair to those shareholders who decided to tender their shares and those who decided to not tender their shares.[3]

51. Revlon further set forth the process in which the Board engaged to reach the fairness determination it made on behalf of Revlon and, in particular, described the positive and negative factors on which the Board relied in making its fairness determination.

52. Revlon disclosed: "The Board of Directors approved the Exchange Offer and related transactions based upon the totality of the information presented to and considered by its members." Second, in a related disclosure, Revlon, in disclosing the positive factors it considered for the exchange offer, noted that "the exchange offer . . . [was] unanimously

[3] Revlon also disclosed that the Independent Directors made no recommendation as to whether shareholders should participate in the exchange offer. Revlon further disclosed it believed that its Independent Board was not legally required to obtain a fairness opinion for the exchange offer, and believed it could not obtain a fairness opinion for the exchange offer given that the financial adviser who evaluated the fairness of the merger proposal, whose analysis concerning the merger proposal was included in the exchange offer filings, would not conclude it was financially fair to minority shareholders. The merger proposal, however, preceded the exchange offer by approximately six months and involved transaction terms that were similar, but not identical, to the terms of the exchange offer. Moreover, notwithstanding these disclosures, and as described in greater detail in this Order, Revlon's "ring-fencing" acts rendered various disclosures concerning the Board's fairness determination to be materially misleading.

approved by the Independent Directors . . . who were granted full authority to evaluate and negotiate the Exchange Offer and related transactions."

53. As represented by Revlon to its minority shareholders, the Board's process in evaluating and approving the exchange offer was full, fair, and complete. The Board's process, however, was not full, fair, and complete. In particular, the Board's process was compromised because Revlon concealed – both from minority shareholders and its Independent Board members – that it had engaged in a course of conduct to "ring-fence" the adequate consideration determination.

54. Accordingly, Revlon's disclosures about the Board's evaluation of the exchange offer were materially misleading to minority shareholders. Moreover, Revlon's "ring-fencing" deprived the Board, and in turn, minority shareholders of the opportunity to receive revised, qualified, or supplemental disclosures, including any that might have informed them of the third-party financial adviser's determination that the transaction consideration to be received by 401(k) members in connection with the transaction was inadequate.

55. Third, Revlon materially misled minority shareholders when it stated that unaffiliated shareholders – which included Revlon's 401(k) members – could decide whether to voluntarily tender their shares.[4] Revlon cited the voluntary nature of the exchange as a positive factor on which the Board relied in approving the exchange offer.

56. In fact, all minority shareholders – as well as its Independent Board members – were unaware that Revlon's 401(k) members would not be able to tender their shares if an adviser found that the consideration offered for their shares was inadequate. Moreover, Revlon's non-401(k) minority shareholders were not on equal footing with Revlon's 401(k) members because Revlon's 401(k) members received protection as a result of the adviser's finding that 401(k) members were not provided adequate consideration.

Violations

57. Under Section 21C of the Exchange Act, the Commission may impose a cease-and-desist order upon any person who is violating, has violated, or is about to violate any provision of the Exchange Act and upon any other person that is, was, or would be a cause of the violation, due to an act or omission the person knew or should have known would contribute to such violation.

58. Section 13(e) of the Exchange Act governs going-private transactions and Exchange Act Rule 13e-3 thereunder prohibits issuers and their affiliates from engaging in fraudulent,

[4] In relevant part, Revlon disclosed that "each of Revlon's unaffiliated stockholders will be able to decide whether or not to voluntarily tender his, her or its shares of Class A Common Stock in the Exchange Offer and that holders of Class A Common Stock who wish to retain their shares may do so[.]" Revlon defined "unaffiliated stockholders" as stockholders of Revlon, other than their directors, officers, controlling shareholder and its affiliates.

deceptive or manipulative acts in connection with a going-private transaction. An Exchange Act Rule 13e-3 transaction, as defined in Rule 13e-3(a)(3), includes any transaction, or series of transactions, involving one or more specified transactions which has either a reasonable likelihood or a purpose of producing, either directly or indirectly, the effect of causing any class of equity securities which is subject to Section 12(g) or Section 15(d) of the Exchange Act to become eligible for deregistration or otherwise eligible to terminate reporting obligations under the Exchange Act, or causing the delisting of a class of equity securities from a national exchange or inter-dealer quotation system.

59. The Commission adopted Exchange Act Rule 13e-3 to provide critical investor protections for shareholders in going-private transactions. In the Commission's adopting release, the Commission noted that, in the going-private context, the need for investor protection is particularly evident given the presence of opportunities for shareholder harm, overreaching by issuers or its affiliates, and potential coercive effects on minority shareholders in such transactions. See e.g., Interpretative Release Relating to Going Private Transactions Under Rule 13e-3, Exch. Act Rel. 34-17719, 1981 SEC LEXIS 1647 (April 13, 1981).

60. Moreover, the Commission noted, "the terms of the transaction, including the consideration received and other effects upon unaffiliated security holders, may be designed to accommodate the interest of the affiliated parties rather than determined as a result of arm's-length negotiations. Further, the timing of the transaction[ ] is within the control of the issuer or its affiliate, who may choose a period of depressed market prices to propose the transaction, resulting in a loss to the unaffiliated security holders." Id.

61. Among other rules, the Commission adopted Exchange Act Rule 13e-3(b)(1)(iii), which provides that it shall be a fraudulent, deceptive or manipulative act or practice, in connection with a Rule 13e-3 transaction, for an issuer (or an affiliate of such issuer) to, directly or indirectly, engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

62. Revlon violated Exchange Act Section 13(e) and Rule 13e-3(b)(1)(iii) thereunder as, through its "ring-fencing" acts, Revlon knew or should have known that it was engaging in an act, practice or course of business that operated as a fraud or deceit upon Revlon's minority shareholders. As noted earlier, Revlon's "ring-fencing" acts included amending the trust agreement it had with the trustee to ensure that the trustee would not share the adequate consideration determination with it; ensuring that it was not a party to any engagement letter concerning the adequate consideration determination; and directing the trustee to inform Revlon of its decision whether to allow 401(k) members to tender their shares without any reference to the adequate consideration determination. Moreover, Revlon's "ring-fencing" acts rendered various disclosures in Revlon's public filings with the Commission to be materially misleading.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in the Respondent's Offer.

Accordingly, pursuant to Section 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent Revlon cease and desist from committing or causing any violations and future violations of Section 13(e) of the Exchange Act and Rule 13e-3(b)(1)(iii) promulgated thereunder.

B. Respondent Revlon shall, within 30 days of the entry of this Order, pay a civil money penalty in the amount of $850,000 to the United States Treasury.[5] If timely payment is not made, interest shall accrue pursuant to 31 U.S.C. § 3717. Payment must be made in one of the following ways:

(1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;[6]
(2) Respondent may make direct payment from a bank via Pay.gov through the SEC website at http://www.sec.gov/about/offices/ofm.htm; or
(3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

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[5] In setting the penalty amount, the Commission took into account the substantial monetary payments that Revlon has agreed to make to settle all of its class action lawsuits for conduct related to the exchange offer.

[6] On December 31, 2012, the minimum threshold for transmission of payment electronically was increased to $1,000,000. For amounts below the threshold, respondents must make payments pursuant to option (2) or (3) above.

Payments made by check or money order must be accompanied by a letter identifying Revlon, Inc. as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and money order or check shall be sent to Antonia Chion, Associate Director, Division of Enforcement, U.S. Securities and Exchange Commission, 100 F Street, N.E., Mail Stop 5720-B, Washington, DC 20549.

By the Commission.

Elizabeth M. Murphy
Secretary