

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 76837 / January 5, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-15211

In the Matter of

GREGG C. LORENZO,
FRANCIS V. LORENZO, AND
CHARLES VISTA, LLC,

Respondents.

NOTICE OF AMENDED
PROPOSED PLAN OF
DISTRIBUTION AND
OPPORTUNITY FOR
COMMENT

In response to comments received on the proposed plan of distribution (“Prior Proposal”) in *Gregg C. Lorenzo*, A.P. File No. 3-15211, published on March 30, 2015,¹ the Division of Enforcement (“Division”) has submitted an amended proposed plan (“Amended Plan”) to the Commission for publication. Notice is hereby given, pursuant to Rule 1103 of the United States Securities and Exchange Commission’s (“Commission”) Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, that the Commission has published the Amended Plan at <http://www.sec.gov/litigation/fairfundlist.htm#lorenzo> and seeks comment from interested persons.² Based on comments and additional information received on the Prior Proposal, the Division revised the calculation of each Eligible Customers’³ pro rata percentage of the total pooled harm and clarified who is to be eligible to participate in the distribution.

On November 20, 2013, the Commission issued an Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b), 21B, and 21C of the Securities Exchange Act of 1934 (the “Order”) as to Respondents Gregg C. Lorenzo (“Lorenzo”) and Charles Vista, LLC (“Charles Vista”) (collectively, “Respondents”) (Securities Act Rel. No. 9480 (November 20, 2013)). The Order found that Respondents made fraudulent misrepresentations to several customers of Charles Vista, a broker-dealer controlled by Lorenzo, to induce them to invest in convertible

¹ Exchange Act Rel. No. 74607 (March 30, 2015).

² The Commission, pursuant to delegated authority, previously issued an order extending the time for approval or disapproval of this plan. Exchange Act Rel. No. 75059 (May 15, 2015). As a result of the Commission’s decision to repropose the Prior Plan for comment, an order approving or disapproving the Amended Plan will be entered in accordance with the provisions of Rule 1104, 17 C.F.R. 201.1104.

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Amended Plan.

debentures issued by a start-up waste management company, Waste2Energy Holdings, Inc. (“W2E”). The Order further found that Charles Vista had a considerable financial interest in the debentures offering and was the exclusive placement agent for the issuance of 12% W2E debentures. The debentures were convertible to W2E stock, which is a penny stock. Additionally, the Order found that W2E’s financial situation was precarious and W2E’s securities were extremely speculative because, among other reasons, the company had millions of dollars of debt that was senior to the debt W2E was issuing through the debentures offering. Finally, the Order found that after Respondents knowingly or recklessly made fraudulent misrepresentations to several Charles Vista customers, these customers invested in W2E debentures.

In the Order, Lorenzo and Charles Vista were jointly ordered to pay disgorgement of \$130,000 and prejudgment interest of \$20,000. In addition, Lorenzo was ordered to pay a civil penalty of \$375,000 and Charles Vista was ordered to pay a civil penalty of \$4,350,000. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, the Order established a Fair Fund for the benefit of injured investors using the disgorgement, prejudgment interest and penalties paid and to be paid by Respondents. Lorenzo has paid \$130,000 in disgorgement, \$20,000 in prejudgment interest, and a civil penalty of \$375,000. Charles Vista has not made any payments to date.

THE DISTRIBUTION PLAN

The Amended Plan proposes to distribute an amount from the Fair Fund to six customers of the Respondents each of whom was injured by the violations described in the Order. The Amended Plan describes its methodology for distributing the Fair Fund in paragraph 7. At the end of paragraph 7, and using information obtained from the Commission’s investigation and the comment process on the Prior Proposal, the Amended Plan presents a table with the dollar amount of each Eligible Customer’s principal investment in W2E, the dollar amount, if any, of third-party reimbursements received by each Eligible Customer, and a net harm (“Harm Amount”) for each Eligible Customer. The table also lists for each Eligible Customer the percentage of the total of all Eligible Customer harm (“Pro Rata Share”) represented by each Eligible Customer’s individual harm. The Prior Proposal was amended in order to reflect recalculations of the percentages of the Eligible Customers’ pooled harm based on public comments and additional information received.

To calculate the dollar amount that each Eligible Customer will receive pursuant to the Amended Plan, the Fair Fund administrator will multiply the Pro Rata Share by the “Net Fair Fund.” The “Net Fair Fund” is the Fair Fund, less any reserve for federal, state, or local taxes, fees or other expenses of administering the Plan. As noted above, the Fair Fund currently consists of the \$525,000 paid by Lorenzo. Any outstanding payments received after approval of the Plan will be added to the Fair Fund and distributed in accordance with the Plan.

Eligible Customers will not be required to make claims or submit documentation to establish their eligibility. The six Eligible Customers were identified on the basis of information obtained by the Commission staff through review and analysis of applicable records. Within sixty (60) days of the

Commission's approval of the Plan, the Fund Administrator will send each Eligible Customer a notice regarding the Commission's approval of the Plan and, including as appropriate, a statement characterizing the distribution, a link to the Plan posted on the Commission's website and instructions for requesting a copy of the Plan, a Harm Amount calculation and a preliminary calculation of the Eligible Customer's distribution check amount (*i.e.*, Fair Fund Payment), a description of the tax information reporting and other related tax matters, the procedure for the distribution as set forth in the Plan, and the name of the Fund Administrator to contact with questions regarding the distribution (the "Plan Notice"). The Fund Administrator will coordinate with the appointed Tax Administrator to request information from each Eligible Customer that is needed to accomplish the distribution in accordance with applicable tax requirements relating to the Fair Fund.

The Plan also provides procedures for Eligible Customers to dispute the amounts received. Disputes will be limited to calculations of an Eligible Customers' Harm Amount. Should an Eligible Customer wish to dispute the amount to be received, an Eligible Customer must submit a written communication to the Fund Administrator. The Fund Administrator must receive the written communication detailing the dispute along with any supporting documentation within thirty (30) days of the date that the Plan Notice is sent to an Eligible Customer. The Fund Administrator will investigate the dispute, and such investigation will include a review of the written dispute as well as any supporting documentation. Within thirty (30) days of receipt of the written dispute, the Fund Administrator will notify the Eligible Customer of her resolution of the dispute, which shall be final.

OPPORTUNITY FOR COMMENT

Pursuant to this Notice of Amended Proposed Plan of Distribution and Opportunity for Comment ("Notice"), interested persons are advised that they may obtain a copy of the Plan from the Commission's public website at <http://www.sec.gov/litigation/fairfundlist.htm>. Interested persons may also obtain a written copy of the Plan by submitting a written request to Nichola L. Timmons, Esq., United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5631. All persons who desire to comment on the Plan may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. To the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090;
2. By using the Commission's Internet comment form (<http://www.sec.gov/litigation/admin.shtml>); or
3. By sending an e-mail to rule-comments@sec.gov.

Comments submitted by e-mail or via the Commission's website should include "Administrative Proceeding File Number 3-15211" in the subject line. Comments received will be publicly available. Thus, persons should submit only information that they wish to make publicly available.

By the Commission.

Brent J. Fields
Secretary