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UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-15211

In the Matter of	
GREGG C. LORENZO, FRANCIS V. LORENZO, and CHARLES VISTA, LLC	
Respondents.	

MOTION FOR RECONSIDERATION
SUBMITTED ON BEHALF OF
RESPONDENT FRANCIS V. LORENZO

Respondent Francis V. Lorenzo, pursuant to SEC Rule of Practice 470, hereby submits this motion requesting that the Commission reconsider the permanent bar it imposed against respondent from associating with an investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization and from participating in an offering of penny stock. The Commission also imposed a $15,000 civil penalty on Respondent Lorenzo. The imposition of a bar and $15,000 civil penalty against Mr. Lorenzo is a draconian penalty and an extreme departure from the one year suspension recently imposed on two other individuals by the Commission for very similar conduct in *In the Matter of John P. Flannery and James D. Hopkins*, Administrative Proceeding Number 3-14081. Accordingly, for the reasons set forth below Respondent Lorenzo respectfully requests that the Commission reconsider the permanent bar and $15,000 civil penalty it imposed on Mr. Lorenzo and vacate the bar and civil penalty.

I. Argument

The Commission Should Reconsider its Imposition of a Permanent Bar

Under the Administrative Procedures Act an appellate court will reverse sanctions that are "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law." *See* 5 U.S.C. § 706(2)(A); *Rapoport v. SEC,* 682 F.3d 98, 103 (D.C. Cir. 2012); *Rockies Fund, Inc. v. SEC*, 428 F.3d 1088, 1092-93 (D.C. Cir. 2005). "Review for whether an agency's sanction is "arbitrary or capricious" requires consideration of whether the sanction is out of line with the agency's decisions in other cases. *Collins v SEC*, No. 12-1241 (D.C. Cir. Nov. 26, 2013); *Friedman v. Sebelius*, 686 F.3d 813, 827-28 (D.C. Cir. 2012).

In the Matter of John P. Flannery and James D. Hopkins, Administrative Proceeding Number 3-14081 involved conduct that is similar to – but more egregious than – Mr. Lorenzo's conduct. The *Flannery* matter involved multiple false statements made by the Respondents to multiple investors on numerous different occasions. In the Flannery matter the Respondents made their misrepresentations on conference calls, in meetings and in written investor presentations. In contrast Mr. Lorenzo's conduct involved virtually the same email prepared by Gregg Lorenzo and sent to only two people on the same day - with no evidence to show that either of the two people read the email.

Even though the conduct of Flannery and Hopkins was significantly more egregious than that of Mr. Lorenzo the Commission only imposed a one year suspension on Flanner and Hopkins. The Commission imposed the one year suspension on Flannery and Hopkins even though the Respondents refused to acknowledge the wrongful nature of the conduct and even though one of the Respondents consistently insisted his conduct was in the best interests of investors. Hopkins made no assurances against future violations and the Commission was

"concerned that Hopkins will commit future violations of the securities laws and present a danger to investors if not subjected to a suspension." *Flannery* at 53. The Commission stated that as to Flannery "his misconduct spanned more than one communication and thus cannot be seen as a single lapse in judgment. He was a senior . . . official responsible for client investments who, like Hopkins, abused his professional responsibilities. Moreover, Flannery too has never acknowledged the wrongful nature of his conduct or made assurances against future violations. Thus, we are similarly concerned about protecting investors from future violations'" *Flannery* at 53.

In the Lorenzo decision the Commission did not adequately explain the reasons for the dramatically higher sanction it imposed on Respondent Lorenzo for conduct that was not as egregious as that involved in the Flannery case. Several of the factors that the Commission gave to support Lorenzo's permanent bar and civil penalty – such as a purported failure to accept responsibility for the conduct and the danger that the conduct could reoccur – were also cited by the Commission in the Flannery case as reasons why a one year suspension was imposed.

Courts have held that the Commission must adequately explain how it arrives at particular sanctions and courts will vacate the imposition of civil penalties when the Commission does not provide "meaningful consideration" of the circumstances of the case and does not adequately explain its reasoning. *Rockies Fund, Inc. v. SEC*, 428 F.3d 1088, 1099 (D.C. Cir. 2005) (vacating sanctions "because the SEC did not explain its reasoning" for the sanctions or "even cursorily explain" why the necessary elements for such sanctions were satisfied); *see also Jost v. Surface Transp. Bd.*, 194 F.3d 79, 85 (DC Cir. 1999) ("The requirement that agency action not be arbitrary and capricious includes a requirement that the agency adequately explain its result").

Here the Commission's dramatic departure from the sanctions imposed in the *Flannery* matter is unwarranted we submit the permanent bar imposed on Respondent Lorenzo should be vacated.

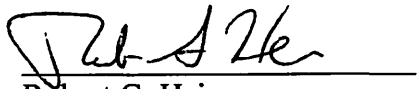
II. Conclusion

For the foregoing reasons we respectfully request that the Commission reconsider its decision to impose a permanent bar and civil penalty on Respondent Lorenzo and vacate the bar and civil penalty.

Dated: New York, New York
May 11, 2015

Respectfully submitted,

MEYERS & HEIM LLP

By: 

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CERTIFICATE OF SERVICE

I, Robert G. Heim, certify that on the 11th day of May, 2015 I caused a true and correct copy of Respondent Francis V. Lorenzo's Motion for Reconsideration to be filed and served in the manner indicated on the following:

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