

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2672 / October 17, 2007**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12742**

**In the Matter of**

**Anthony M. Ramunno, Jr.,**

**Respondent.**

**ORDER MAKING FINDINGS AND  
IMPOSING REMEDIAL SANCTIONS  
PURSUANT TO SECTION 203(f) OF  
THE INVESTMENT ADVISERS ACT OF  
1940**

**I.**

On September 4, 2007, the Securities and Exchange Commission ("Commission") instituted public administrative proceedings pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against Anthony M. Ramunno, Jr. ("Ramunno" or "Respondent").

**II.**

Respondent has submitted an Offer of Settlement (the "Offer") that 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 him and the subject matter of these proceedings, and the findings contained in Section III.7 below, which are admitted, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Order"), as set forth below.

### III.

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

1. From November 2003 through January 2007, Respondent was president, majority owner, and a person associated with Renaissance Asset Management, LLP and its successor, Renaissance Asset Management, LLC (collectively, "Renaissance"). Respondent, 46 years old, is a resident of Atlanta, Georgia.

2. Renaissance was the managing member of RAM I, LP and its successor, RAM I, LLC (collectively, "RAM"), a private investment pool.

3. Acting through Renaissance, Ramunno made investment decisions, for compensation, for RAM.

4. Renaissance told RAM investors, through a confidential private placement memorandum and disclosure document, that it would determine how to invest RAM funds from a broad menu of choices, including some that were securities. Specifically, it stated: "The Company's accounts trade pursuant to the trading strategies described herein, which emphasize a maximum range of diversification in a wide and substantially unrestricted variety of investment instruments. It is not practicable to set forth a breakdown by market sector as the contracts traded by Renaissance vary considerably over time depending on Renaissance's view of the opportunities for profitable trading. Renaissance may trade securities, security futures and security futures products."

5. Renaissance also told RAM investors, through the same private placement memorandum, that it would be paid a monthly administrative fee "equal to 1/12<sup>th</sup> of 1 1/2%," in addition to a quarterly incentive allocation "equal to 20% of any New Trading Profit," for its work as RAM's "Manager" and "Advisor".

6. Renaissance acted as an investment adviser by, for compensation, engaging in the business of advising RAM as to the advisability of investing in, purchasing, or selling securities.

7. On May 1, 2007, Ramunno pleaded guilty to one count each of wire fraud and mail fraud in violation of Title 18 United States Code, Sections 1343 and 1341, respectively, before the United States District Court for the Northern District of Georgia, in United States v. Anthony Michael Ramunno, Jr., a/k/a Mick Ramunno, Crim. Indictment No. 1:07-CR-061.

8. The counts of the criminal indictment to which Ramunno pleaded guilty alleged, among other things, that:

- a. From in or about November 2003 up to on or about January 18, 2007, Ramunno knowingly devised and intended to devise a scheme and artifice to defraud RAM investors and obtain money and property from RAM investors by means of materially false and fraudulent pretenses, representations and promises, well knowing and having reason to know that said pretenses, representations and promises were and would be false;
- b. Ramunno was primarily responsible for investing and trading pooled victim assets, for reporting the results of his trading to RAM participants in the form of annual reports and investor account statements, for allocating profits or losses among pool participants, and for administering the funds entrusted to him by RAM investors, as well as for administering RAM overall;
- c. Ramunno fraudulently represented to his victim investors that their funds would be, and were being used for investment in commodity futures, and that they could expect, based on substantial misrepresentation of his past trading performance, significant returns on their investment;
- d. Ramunno failed to disclose to pool participants and prospective pool participants that he was consistently losing money in commodity futures trading and was not generating profits for his investors;
- e. Ramunno also failed to disclose that he was using participant funds to repay both principal and false trading profits distributed to earlier RAM investors, and that he was misappropriating substantial amounts of victim funds to pay for purely personal expenses, including a luxury home and multiple high-end automobiles and motorcycles, unrelated to RAM;
- f. To solicit and maintain investment in RAM, Ramunno also distributed and caused to be distributed to pool participants and to prospective pool participants false written offering materials and financial statements related to Renaissance and RAM, including: RAM annual reports for 2004 and 2005, including purported opinion letters of Grant Thornton, LLP (“Grant Thornton”), a national public accounting firm, falsely representing that firm had audited RAM’s financial statements; 2003-2006 rate of return schedules for RAM including purported Grant Thornton opinion letters, falsely representing that RAM had generated substantial monthly and annualized profits; a confidential private placement memorandum and disclosure document for RAM dated July 1, 2006, incorporating false RAM rate of return and profit schedules; and RAM

investor account statements falsely reporting substantial participant capital appreciation;

- g. The purported Grant Thornton opinion letters Ramunno included with the RAM annual reports and rate of return schedules were forgeries, as Grant Thornton never provided any accounting or auditing services to Renaissance or RAM. Ramunno forged the Grant Thornton opinion letters both to misrepresent that RAM's financial statements had been audited by an outside accounting firm as well as to conceal Ramunno's substantial trading losses and theft of investor assets from RAM participants;
- h. The RAM private placement memorandum falsely stated that Renaissance was registered as a commodity pool operator and commodity trading advisor in November 2003, and that it was a member of the National Futures Association at the same time; however, Renaissance did not obtain those registrations and membership until in or about September 2005;
- i. Ramunno's oral and written misrepresentations regarding his trading performance fraudulently induced dozens of investors from, among other states, Georgia, California, Texas, Ohio, Illinois, New Jersey, Tennessee and Wisconsin, to invest in RAM. Initial participant investments ranged from \$18,000 to \$2,000,000; and
- j. As of December 31, 2006, RAM reported approximately 94 participant accounts and total pool assets of approximately \$32 million; in reality, however, only a fraction of that amount actually resided in the bank and brokerage accounts associated with Ramunno, Renaissance, and RAM.

#### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Ramunno be, and hereby is barred from association with any investment adviser.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially

waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris  
Secretary