

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4977 / August 2, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18620

In the Matter of

GILBERT FLUETSCH,

Respondent.

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

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Gilbert Fluetsch (“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 him and the subject matter of these proceedings and the findings contained in paragraph 2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

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

1. From 2010 through approximately May 2014, Fluetsch was chief operating officer of Hoplon Financial Group ("Hoplon"), an investment adviser registered with the State of California. Fluetsch, 52 years old, is a resident of Escondido, California.

2. On May 25, 2018, a final judgment was entered by consent against Fluetsch, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder in the civil action entitled Securities and Exchange Commission v. Daniel Vazquez, et al., Civil Action Number 8:18-cv-0047 CJC (KESx), in the United States District Court for the Central District of California.

3. The Commission's complaint alleged that Daniel Benjamin Vazquez, Sr. and his firm, Hoplon Financial Group ("Hoplon"), committed fraud with the assistance of Hoplon's COO, Gilbert Fluetsch. In 2011, Vazquez and Hoplon created the New Economic Opportunities Fund I, LLC ("NEON") vehicle to pool investors' funds ostensibly for the purpose of purchasing and flipping residential real estate properties. The Defendants then misused substantial amounts of NEON funds, resulting in a total loss to investors. By engaging in this conduct, Fluetsch committed violations of Section 17(a)(2) of the Securities Act and aided and abetted Vazquez's and Hoplon's violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act that Respondent Fluetsch be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

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.

By the Commission.

Brent J. Fields
Secretary