

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 89625 / August 20, 2020**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 5563 / August 20, 2020**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19765**

**In the Matter of**

**STEPHEN DOUGLAS PIZZUTI,**

**Respondent.**

**ORDER MAKING FINDINGS AND  
IMPOSING REMEDIAL SANCTIONS  
AGAINST STEPHEN DOUGLAS  
PIZZUTI PURSUANT TO SECTION  
15(b) OF THE SECURITIES  
EXCHANGE ACT OF 1934 AND  
SECTION 203(f) OF THE INVESTMENT  
ADVISERS ACT OF 1940**

**I.**

On April 23, 2020, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings against Stephen Douglas Pizzuti (“Respondent” or “Pizzuti”) pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Stephen Douglas Pizzuti.

**II.**

After institution of these proceedings, the Respondent 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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraphs III.2 below and consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Against Stephen Douglas Pizzuti Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and 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. Pizzuti (CRD 1461660), age 58, is a resident of DeBary, Florida. At the time of the misconduct that led to his conviction, Pizzuti was associated with a firm that was a Commission-

registered broker-dealer and a state-registered investment adviser. Between January 1986 and May 2015, Pizzuti was associated with other broker-dealers registered with the Commission, some of which were also registered as investment advisers. He held Series 7, 24, and 63 licenses. In August 2013 and May 2014, the Financial Industry Regulatory Authority, Inc. (“FINRA”) sanctioned Pizzuti by fining him and suspending him from association with FINRA members. *See* FINRA Disciplinary Proceeding Nos. 2009017195204, 2011027666902. Merrimac Corporate Securities, Inc. (“Merrimac”), a broker-dealer Pizzuti controlled, was also a respondent in these proceedings. In March 2016, in No. 2009017195204, FINRA expelled Merrimac from membership. On July 17, 2019, the Commission denied Merrimac’s application for review of FINRA’s decision imposing sanctions in No. 2011027666902. *See* Securities Act Rel. No. 10662.

2. On November 5, 2019, Pizzuti pled guilty to one count of concealment of assets in a bankruptcy case, in violation of Title 18, United States Code, Section 152(1), before the United States District Court for the Middle District of Florida, in *United States v. Stephen Douglas Pizzuti*, Case No. 6:19-cr-00204-RBD-GJK-1. On January 13, 2020, Pizzuti was sentenced to two years probation. The Court also ordered forfeiture and restitution, both in the amount of \$28,002.40.

3. In connection with that plea, Pizzuti admitted that on October 23, 2015, he and his wife filed a joint Chapter 7 bankruptcy petition that failed to identify as an asset Pizzuti’s book of business from his time as a broker. On November 1, 2015, Pizzuti sold his book of business for \$300,000 consisting of an immediate partial payment, with the balance due over time. On November 24, 2015, at a Section 341 creditor’s meeting, Pizzuti, under oath, falsely represented that he had not transferred or sold any assets beyond what was disclosed in the bankruptcy petition. Over the course of a year, Pizzuti received over \$28,000 from the buyer of the book of business, which Pizzuti concealed by receiving the funds in cash or in the form of wire transfers to his wife and son.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, and Section 203(f) of the Advisers Act that Respondent Pizzuti 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

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Pizzuti be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman  
Secretary