

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

Investment Advisers Act of 1940  
Release No. 2423 / September 1, 2005

Admin. Proc. File No. 3-12028

**IN THE MATTER OF SUSANA P. LONGO**

On September 1, 2005, the Commission instituted administrative proceedings against Susana P. Longo, based on the entry, on August 10, 2005, of a final judgment by the United States District Court for the Northern District of Georgia. The final judgment in that civil action, entitled SEC v. Susana P. Longo, Civil Action File Number 1:05-CV-0164 (N.D.Ga), enjoined Longo from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, and from aiding and abetting violations of Sections 206(1) and (2) of the Investment Advisers Act of 1940.

The Commission's complaint alleged that from early 2000 through early 2004, while she was vice president in charge of compliance at an Atlanta-based investment adviser, Longo misappropriated at least \$5.4 million from four profit-sharing plans that were advisory clients. The complaint alleged that, as part of that scheme, Longo placed unauthorized orders to sell securities in these clients' accounts and forged documents that transferred the proceeds from those sales to the accounts of two elderly women who were also advisory clients of her employer. Longo then forged the signatures of these women on checks that Longo made payable to herself, her creditors, and her relatives.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide the Respondent an opportunity to dispute these allegations, and to determine what, if any, remedial sanctions are appropriate and in the public interest.

The Order requires the Administrative Law Judge to issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.