

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 74607 / March 30, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15211**

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**In the Matter of**

**GREGG C. LORENZO,**  
**FRANCIS V. LORENZO, AND**  
**CHARLES VISTA, LLC,**

**Respondents.**

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**NOTICE OF PROPOSED**  
**PLAN OF DISTRIBUTION**  
**AND OPPORTUNITY**  
**FOR COMMENT**

Notice is hereby given, pursuant to Rule 1103 of the United States Securities and Exchange Commission's ("Commission") Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, that the Division of Enforcement has submitted to the Commission a proposed plan ("Plan") for the distribution of monies placed into a Fair Fund established in the above-captioned matter.

On November 20, 2013, the Commission issued an Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b), 21B, and 21C of the Securities Exchange Act of 1934 (the "Order") as to Respondents Gregg C. Lorenzo ("Lorenzo") and Charles Vista, LLC ("Charles Vista") (collectively, "Respondents") (Securities Act Rel. No. 9480 (November 20, 2013)). The Order found that Respondents made fraudulent misrepresentations to several customers of Charles Vista, a broker-dealer controlled by Lorenzo, to induce them to invest in convertible debentures issued by a start-up waste management company, Waste2Energy Holdings, Inc. ("W2E"). The Order further found that Charles Vista had a considerable financial interest in the debentures offering and was the exclusive placement agent for the issuance of 12% W2E debentures. The debentures were convertible to W2E stock, which is a penny stock. Additionally, the Order found that W2E's financial situation was precarious and W2E's securities were extremely speculative because, among other reasons, the company had millions of dollars of debt that was senior to the debt W2E was issuing through the debentures offering. Finally, the Order found that after Respondents knowingly or recklessly made fraudulent misrepresentations to several Charles Vista customers, these customers invested in W2E debentures.

In the Order, Lorenzo and Charles Vista were jointly ordered to pay disgorgement of \$130,000 and prejudgment interest of \$20,000. In addition, Lorenzo was ordered to pay a civil penalty of \$375,000 and Charles Vista was ordered to pay a civil penalty of \$4,350,000. In accordance with the Order, Lorenzo has paid \$130,000 in

disgorgement, \$20,000 in prejudgment interest, and a civil penalty of \$375,000. Charles Vista has not made any payments to date. Pursuant to the Order, a Fair Fund was created under Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended. The Fair Fund is comprised of the disgorgement, prejudgment interest and penalties paid and to be paid by Respondents for distribution to affected customers of Charles Vista who suffered harm by virtue of the Respondents' fraudulent misrepresentations (collectively, "Eligible Customers").

## **OPPORTUNITY FOR COMMENT**

Pursuant to this Notice of Proposed Plan of Distribution and Opportunity for Comment ("Notice"), interested persons are advised that they may print a copy of the Plan from the Commission's public website at <http://www.sec.gov/litigation/fairfundlist.htm>. Interested persons may also obtain a written copy of the Plan by submitting a written request to Nichola L. Timmons, Esq., United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5631. All persons who desire to comment on the Plan may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. To the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090;
2. By using the Commission's Internet comment form (<http://www.sec.gov/litigation/admin.shtml>); or
3. By sending an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov).

Comments submitted by e-mail or via the Commission's website should include "Administrative Proceeding File Number 3-15211" in the subject line. Comments received will be publicly available. Thus, persons should submit only information that they wish to make publicly available.

## **THE DISTRIBUTION PLAN**

The Fair Fund is comprised of the disgorgement, prejudgment interest, and civil penalties paid and to be paid by the Respondents. The "Net Fair Fund" is the Fair Fund, less any reserve for federal, state, or local taxes, fees or other expenses of administering the Plan. To date, Lorenzo has paid \$130,000 in disgorgement, \$20,000 in prejudgment interest, and a civil penalty of \$375,000. Charles Vista has not made any payments to date. Any outstanding payments received after approval of the Plan will be added to the Fair Fund and distributed in accordance with the Plan. The Plan proposes to distribute the Fair Fund to affected customers of Charles Vista who suffered harm by virtue of the conduct described in the Order and as calculated per the methodology set forth in the Plan.

The Plan provides for Eligible Customers to receive monies from the Fair Fund that represents their proportionate share of the Net Fair Fund. The Eligible Customers will not be required to make claims or submit documentation to establish their eligibility. The Plan provides that on the basis of information obtained by the Commission staff through review and analysis of applicable records, the Fund

Administrator will identify the Eligible Customers. Within sixty (60) days of the Commission's approval of the Plan, the Fund Administrator will send each Eligible Customer a notice regarding the Commission's approval of the Plan and, including as appropriate, a statement characterizing the distribution, a link to the Plan posted on the Commission's website and instructions for requesting a copy of the Plan, a Harm Amount<sup>1</sup> calculation and a preliminary calculation of the Eligible Customer's distribution check amount (*i.e.*, Fair Fund Payment), a description of the tax information reporting and other related tax matters, the procedure for the distribution as set forth in the Plan, and the name of the Fund Administrator to contact with questions regarding the distribution (the "Plan Notice"). The Fund Administrator will coordinate with the appointed Tax Administrator to request information from each Eligible Customer that is needed to accomplish the distribution in accordance with applicable tax requirements relating to the Fair Fund.

The Plan also provides procedures for Eligible Customers to dispute the amounts received. Disputes will be limited to calculations of an Eligible Customers' Harm Amount. Should an Eligible Customer wish to dispute the amount received, an Eligible Customer must submit a written communication to the Fund Administrator. The Fund Administrator must receive the written communication detailing the dispute along with any supporting documentation within thirty (30) days of the date that an Eligible Customer's disbursement is made. The Fund Administrator will investigate the dispute, and such investigation will include a review of the written dispute as well as any supporting documentation. Within thirty (30) days of receipt of the written dispute, the Fund Administrator will notify the Eligible Customer of her resolution of the dispute, which shall be final.

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

Brent J. Fields  
Secretary

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.