

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3066 / August 5, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13996

In the Matter of

Steven W. Salutric,

Respondent

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940
AND NOTICE OF HEARING

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 Steven W. Salutric (“Respondent” or “Salutric”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Respondent Steven W. Salutric (“Salutric”), 51 years old, resides in Carol Stream, Illinois. Until December 2009, Respondent Salutric managed investment advisory clients of Results One Financial, LLC (“Results One”), located in Elmhurst, IL, which was a registered investment adviser during the relevant time period.

B. DISTRICT COURT PROCEEDINGS

2. On January 8, 2010, the Commission filed a Complaint in the United States District Court for the Northern District of Illinois (“Court”), captioned SEC v. Steven W. Salutric, Civil Case No. 10-0115.

3. The Complaint alleged that Salutric, from at least 2007 through the present, acting as an investment adviser, misappropriated at least \$1.8 million from at least 17 of his clients to support businesses and entities linked to him and, as part of a Ponzi scheme, to make payments to other clients. The Complaint also alleged that in a particularly egregious example of Salutric's fraudulent conduct, Salutric misappropriated over \$400,000 from a 96-year-old client who resides in a nursing home and suffers from dementia. The Complaint also alleged that Salutric misappropriated client funds by making unauthorized withdrawals from his clients' accounts at Charles Schwab & Co., Inc. ("Schwab"), which serves as the custodian of client assets for Results One through the use of forged client signatures on written withdrawal request forms transmitted to Schwab. The Complaint also alleged that once Salutric illicitly withdrew client funds, he directed the funds to a number of entities related to Salutric including: approximately \$259,000 to two local restaurants (one of which is partially owned by Salutric); approximately \$610,000 to a film distribution company (Salutric previously co-produced a film with links to this company); and approximately \$321,000 to Salutric's church (Salutric is the treasurer and has signatory authority over the church's bank account). The Complaint also alleged that the clients were not aware that their funds were transferred to these entities. The Complaint also alleged that most, if not all, of the other misappropriated funds were used in a Ponzi-like fashion to pay other clients. Finally, the Complaint alleged that Respondent Salutric's conduct violated Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), Rule 10b-5 under the Exchange Act, Sections 206(1)-(2) of the Advisers Act, and Rules 204-2(a)(2) and (6) of the Advisers Act.

4. On July 19, 2010, an agreed partial final judgment was entered against Respondent Salutric permanently enjoining him from violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 204, 206(1) and 206(2) of the Advisers Act and Rule 204-2 thereunder.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent Salutric an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against the Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that the Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If the Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon the Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall 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.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

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

Elizabeth M. Murphy
Secretary

SERVICE LIST

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940 and Notice of Administrative Hearing ("Order") on the Respondent Order and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
Chief Administrative Law Judge
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