

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 Sections III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, 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. Budilov, age 51, has been a certified public accountant licensed to practice in the Commonwealth of Pennsylvania. His license to practice was issued in March 1981 and it expired on April 20, 2000. During the period of the conduct alleged in the Commission's complaint, discussed more fully below, Budilov was a licensed certified public accountant. In addition, he served as President and Chief Executive Officer of Ambassador Eyewear Group, Inc. from 1995 until he was terminated from those positions in 1999.

2. Ambassador Eyewear Group, Inc. ("Ambassador") was, at all relevant times, a Delaware corporation with its principal place of business in Philadelphia, Pennsylvania. At all relevant times, Ambassador's common stock was registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 ("Exchange Act"), and traded on both the Chicago Stock Exchange and in the Pink Sheets.

3. On September 26, 2002, the Commission filed a complaint against Budilov in the United States District Court for the Eastern District of Pennsylvania, SEC v. Barry M. Budilov et al. (Civil Action No. 02-CV-7479). On September 13, 2007, the Court entered an order permanently enjoining Budilov, by consent, from future violations of Section 17 of the Securities Act of 1933, Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1 and 13b2-2 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder.

4. The Commission's complaint alleged, among other things, that, from at least 1997 through at least December 1998, Budilov engaged in a fraudulent scheme to artificially inflate Ambassador's assets, income, and retained earnings. As a result of the scheme, the complaint alleged that Ambassador falsely claimed, in a registration statement, annual and quarterly reports filed with the Commission, and in press releases, that it was profitable when, in fact, the company had incurred substantial losses. In addition, Ambassador overstated its assets by as much as 35 percent. The Commission's complaint alleged that, as part of the scheme, Budilov falsified Ambassador's books and records related to income, expense, accounts receivable,

retained earnings, and inventory, and lied to Ambassador's auditor. The complaint further alleged that, after others began suspecting the fraud, Budilov attempted to conceal his involvement by destroying evidence, causing others to destroy evidence, and persuading others to accept responsibility for the fraud.

IV.

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

Accordingly, it is hereby ORDERED, effective immediately, that Budilov is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Nancy M. Morris
Secretary