

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77712 / April 26, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-15429

In the Matter of	:	
	:	
	:	
North East Capital, LLC	:	NOTICE OF PROPOSED
and Anthony T. Vicidomine,	:	AMENDED PLAN OF DISTRIBUTION
	:	AND OPPORTUNITY
	:	FOR COMMENT
Respondents.	:	
	:	

Notice is hereby given, pursuant to Rule 1103 of the 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 amended plan of distribution (the “Amended Plan of Distribution”) for the distribution of monies paid in the above-captioned matter.

On August 16, 2013, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, Sections 203(f) and 203(k) of the Investment Advisers Act of 1940, and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”) against North East Capital, LLC and Anthony T. Vicidomine (collectively, “Respondents”).¹ The Order found that Vicidomine was the founder and sole principal of North East Capital, LLC, an unregistered investment adviser and general partner of the North East Capital Fund LP. The Order further found, among other things, that from November 2011 through March 2012, Vicidomine misappropriated \$189,415 of the North East Fund’s assets in the form of unearned “incentive fees.” Respondents were ordered to pay, jointly and severally, disgorgement of \$189,415, prejudgment interest of \$6,717.04, and a civil money penalty of \$150,000, and have paid \$346,892 to the Commission.

The Order created a fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, for the funds paid by the Respondents (the “Fair Fund”). The Fair Fund is subject to the continuing jurisdiction and control of the Commission and the Fair Fund has been deposited in an account at the United States Department of Treasury.

¹ Securities Act Rel. No. 9442 (Aug. 16, 2013).

On December 23, 2014, the Commission published a Notice of Proposed Plan of Distribution and Opportunity for Comment² (“Notice”) pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans.³ The Notice advised interested persons that they could obtain a copy of the proposed Plan of Distribution (“Plan”) from the Commission’s public website at <http://www.sec.gov/litigation/fairfundlist.htm> or by submitting a written request to Nancy Chase Burton, Esq., United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5631.

The Notice also advised that all persons desiring to comment on the Plan could submit their comments, in writing, no later than thirty (30) days from the date of the 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 email to rule-comments@sec.gov. On December 23, 2014, the Secretary, pursuant to delegated authority, issued the Notice.⁴ Two comments were submitted, one from Eizel Lee on December 29, 2014 and one from Annette DeLorenzo (“DeLorenzo”) on February 10, 2015. Only DeLorenzo’s comment concerned the inclusion of an additional recipient in the distribution plan.

The Commission has amended the Distribution Plan to include DeLorenzo (“Amended Plan of Distribution”). The Fair Fund is comprised of \$346,671 paid by the Respondents to the Commission. As set forth in paragraph 5 of the Amended Plan of Distribution, the Plan seeks to distribute the net Fair Fund to certain investors identified by Commission staff during its investigation who were harmed by Respondents’ misappropriation of the unearned “incentive fees” described in the Commission’s Order in Section III. Summary and paragraph 8. The proposed methodology for calculating eligible investors’ estimated net distribution amounts is set forth in paragraph 7 of the Amended Plan of Distribution.

OPPORTUNITY FOR COMMENT

Pursuant to this Notice, all interested parties are advised that they may obtain a copy of the Plan from the Commission’s public website at <http://www.sec.gov/litigation/fairfundlist.htm#necapital>. Interested parties may also obtain a written copy of the Plan by submitting a written request to Nancy Chase Burton, 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 publication 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 email to rule-comments@sec.gov.

² Exchange Act Rel. No. 73921 (Dec. 23, 2014).

³ 17 C.F.R. § 201.1103.

⁴ See Notice of Proposed Plan of Distribution and Opportunity for Comment, Exchange Act Release No. 73921 (December 23, 2014).

Comments submitted should include “Administrative Proceeding File No. 3-15429” in the submit line. Comments received will be publicly available. Persons should submit only information that they wish to make publicly available.

THE AMENDED PLAN OF DISTRIBUTION

The Fair Fund is comprised of \$346,671 paid by the Respondents to the Commission. As set forth in paragraph 5 of the Plan, the Plan seeks to distribute the net Fair Fund of \$340,869 to certain investors identified by Commission staff during its investigation who were harmed by Respondents’ misappropriation of the unearned “incentive fees” described in Commission’s Order in Section III. Summary and paragraph 8. The proposed methodology for calculating eligible investors’ estimated net distribution amounts is set forth in paragraph 7 of the Amended Plan of Distribution.

By the Commission.

Brent J. Fields
Secretary