

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4348 / March 2, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17150

In the Matter of

**MARCO INVESTMENT
MANAGEMENT, LLC AND
STEVEN S. MARCO,**

Respondents.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS
PURSUANT TO SECTIONS 203(e), 203(f),
AND 203(k) OF THE INVESTMENT
ADVISERS ACT OF 1940, MAKING
FINDINGS, AND IMPOSING REMEDIAL
SANCTIONS AND CEASE-AND-DESIST
ORDERS**

I.

The Securities and Exchange Commission (the “Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (the “Advisers Act”) against Marco Investment Management, LLC (“MIM”), and pursuant to Sections 203(f) and 203(k) of the Advisers Act against Steven S. Marco (“Marco”) (collectively, the “Respondents”).

II.

In anticipation of the institution of these proceedings, each Respondent has submitted an Offer of Settlement (the “Offers”) 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 Respondents and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and Cease-and-Desist Orders (the “Order”), as set forth below.

III.

On the basis of this Order and Respondents’ Offers, the Commission finds that:

A. Summary

1. From approximately 2005 through 2014, MIM, a Commission-registered investment adviser, and Marco, MIM's chief executive officer ("CEO") and chief compliance officer ("CCO"), charged certain of the firm's clients advisory fees that were calculated in a manner different from and, at times, in excess of that provided for within those clients' respective written advisory agreements. Additionally, as a result of the methodology used to calculate fees for these certain clients, MIM failed to maintain accurate books and records with respect to client assets under management in violation of Section 204(a) of the Advisers Act and Rule 204-2(a) thereunder, and Marco and MIM misstated MIM's regulatory assets under management in filings made with the Commission, in violation of Section 207 of the Advisers Act.¹ MIM further failed to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and rules thereunder, particularly with respect to its client billing procedures and compliance with the terms of advisory agreements in violation of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. Marco willfully aided and abetted and caused MIM's violations of Sections 204(a), and 206(4), and Rules 204-2(a) and 206(4)-7 thereunder.

B. Respondents

2. MIM is a Georgia limited liability corporation with its principal place of business in Atlanta, Georgia. MIM has been registered with the Commission as an investment adviser since June 8, 1998. Marco is MIM's principal, owner, and sole officer, and has been the only CEO and CCO of MIM throughout its existence.

3. Marco, age 46, is a resident of Atlanta, Georgia. Marco previously held Series 7 and Series 63 licenses that expired in the early 1990s.

C. Facts

4. MIM provides discretionary money management services to high net worth individuals and institutional clients. In its most recent Form ADV, filed with the Commission on March 30, 2015, MIM identified approximately 200 clients and \$990,198,793 in regulatory assets under management.

5. MIM's clients maintain custodial brokerage accounts at Commission-registered broker-dealers (the "Custodial Accounts"). The majority of MIM's advisory clients utilize the same custodial broker-dealer (the "Custodial Broker-Dealer").

6. Marco and three other employees of MIM act as portfolio managers for MIM's clients, exercising discretionary authority to manage their clients' funds and securities, investing in both equity and fixed-income holdings in their Custodial Accounts. Marco was the

¹ Section 204(a) of the Advisers Act was Section 204 prior to its amendment in the Dodd-Frank Wall Street Reform and Consumer Protection Act, which added Section 204(b); the amendment was effective July 21, 2011.

primary portfolio manager for more than half of MIM's clients, representing approximately \$450 million in regulatory assets under management.

7. MIM's investment advisory agreements with its clients, executed both by the client and by Marco on behalf of MIM, typically provide that MIM will charge the client an advisory fee calculated as an identified percentage of the portfolio gross assets per annum, billed quarterly (the "Management Agreements"). The Management Agreements typically provide that the advisory fee will be applied to "[t]he market value of all gross assets in [the client's account] ... as of the close of trading on the last business day of each calendar quarter...." The Management Agreements also allow individual clients to select whether MIM will be permitted to automatically deduct quarterly fees from a client's Custodial Account, or, if the client prefers to manually pay a quarterly invoice. A significant majority of MIM's clients have authorized MIM to automatically deduct their quarterly fees from their Custodial Account.

8. At the end of each quarter, MIM sends each client a statement of management fees (the "MIM Statement") setting forth a stated "portfolio value" and the resulting quarterly management fee, as well as a portfolio appraisal (the "MIM Appraisal") detailing the client's account holdings and the market value of such holdings. The MIM Appraisal reports both a "Total Portfolio" market value, upon which the management fee is calculated, and a "Grand Total" market value, which reflects any adjustments to market value, such as the balance of any outstanding margin loans. The clients also separately receive statements for their Custodial Account directly from the Custodial Broker-Dealer.

9. Approximately one-quarter of MIM's clients for whom Marco is the portfolio manager have margin agreements in place with the Custodial Broker-Dealer for their Custodial Accounts, allowing MIM and Marco to utilize margin in managing the portfolio.

10. The margin agreements in place with the Custodial Broker-Dealer provide that when the Custodial Accounts maintain a margin balance, the proceeds from the sale of securities or other credits into the Custodial Account will be immediately applied to reduce the margin balance. This immediate application to margin balance of sales proceeds or other credits was reflected on the account statements clients would receive directly from the Custodial Broker-Dealer.

11. For approximately 25 clients with margin accounts, Marco and MIM, acting through Marco, calculated the quarterly management fees without adjustment for the sales proceeds or other credits that had been applied against the margin balance by the Custodial Broker-Dealer. With respect to these clients, Marco believed that he had an understanding with them that each wanted to utilize the margin available within their Custodial Accounts and simultaneously wanted to maintain an essentially fixed level of assets to be managed by MIM at all times, irrespective of their use of the margin, such that sales proceeds or other credits were contemplated to be reinvested in the portfolio to be managed by MIM. MIM and Marco maintained no written amendments that modified the terms of the clients' Management Agreements.

12. For these approximately 25 clients with margin accounts (the “Impacted Accounts”), the Custodial Broker-Dealer’s actual application of the proceeds from sales and other credits to the margin balance in such accounts was inconsistent with MIM’s internal records and the MIM Appraisals sent to clients. Those documents reflected a larger margin balance in the client’s Custodial Account and identified offsetting cash equivalent assets at the Custodial Broker-Dealer, which assets had actually been applied to reduce the margin and were no longer present in the Custodial Account. This practice further resulted in the MIM Statements for the Impacted Accounts overstating the client’s account balances. While the “Grand Total” value on the MIM Appraisal was a net figure that corresponded to the account value reported on the Custodial Broker-Dealer account statements, the management fee was calculated on the “Total Portfolio” value which included investment proceeds.

13. In the Impacted Accounts, while the written Management Agreements provided for the management fee to be applied against the “market value of all gross assets,” MIM did not deduct the margin balance from the account balance subject to billing in these accounts. MIM charged those accounts management fees that included sales proceeds and other credits, as described above, which assets were not actually maintained at the Custodial Broker-Dealer for each account. Therefore, the Portfolio Appraisals that MIM sent these clients reflected a margin balance different from the margin balance reflected on the Custodial Broker-Dealer’s account statements. Such fees were inconsistent with the written billing terms set out in the Management Agreements.

14. MIM’s and Marco’s approach to fee calculation with respect to the Impacted Accounts has been in place since at least 2005. For the calendar year 2013, MIM and Marco’s practice of including investment proceeds in the fee calculation instead of applying those proceeds against any outstanding margin loan, which was inconsistent with the terms of the written Management Agreement, resulted in approximately 25 clients being charged in total fees of approximately \$24,427 over and above what would have been charged under the written Management Agreements. For the calendar year 2014, that amount was approximately \$31,436.²

15. Other than what was entered in its portfolio management software, which generated the quarterly fee statements, or what was reflected in written communications from clients, MIM did not track in writing any of the oral understandings Marco believed he had with customers that varied the terms of their written Management Agreements, nor did MIM have written policies or procedures that addressed how to determine gross assets or calculate client fees.

16. Until the most recently filed Form ADV dated March 30, 2015, in determining MIM’s total regulatory assets under management, MIM relied upon its internal systems that did not exclude those amounts at issue for the Impacted Accounts as described above. MIM incorporated the total regulatory assets under management represented on its

² In some instances, MIM’s fee calculation methodology for the Impacted Accounts resulted in reduced management fees. For example, if a client wanted to reduce margin balance, the MIM Appraisal would reflect this reduction with a corresponding offset of assets under management even if the offsetting assets had not been fully liquidated and remained in the Custodial Broker-Dealer account.

internal systems into the Forms ADV that Marco signed and MIM filed with the Commission. As a result, the Forms ADV filed for years 2010 through 2013, contained inaccurate calculations of the total regulatory assets under management and resulted in material misstatements on MIM's Forms ADV filed with the Commission. The misstatements of regulatory assets under management at issue for years 2010 through 2013 are as follows:

Date	Reported Assets Under Management on Form ADV	Amount of Form ADV Misstatement
12/31/2010	\$746,131,248	(\$7,024,491)
12/31/2011	\$686,947,455	(\$4,323,563)
12/31/2012	\$860,427,348	\$5,071,200
12/31/2013	\$888,818,673	\$1,947,360

D. Violations

17. As a result of the conduct described above, MIM willfully violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, which requires an investment adviser registered with the Commission to adopt and implement written policies and procedures reasonably designed to prevent violation of the Advisers Act and the rules thereunder by the adviser and its supervised persons, and requires at least annual reviews of the adequacy of such policies and procedures and the effectiveness of their implementation.

18. As a result of the conduct described above, MIM willfully violated Section 204(a) of the Advisers Act and Rule 204-2(a) thereunder, which requires an investment adviser registered with the Commission to make and keep true, accurate, and current books and records.

19. As a result of the conduct described above, MIM and Marco willfully violated Section 207 of the Advisers Act, which prohibits any untrue statement of material fact in any registration application or report filed with the Commission under Section 203 or 204 of the Advisers Act.

20. As a result of the conduct described above, Marco willfully aided and abetted and caused MIM's violations of Sections 204(a) and 206(4) of the Advisers Act, and Rules 204-2(a) and 206(4)-7 thereunder.

E. Undertakings

21. Respondents undertake to take the following actions, as applicable.

22. Chief Compliance Officer. MIM agrees to and has already designated and retained a new, part-time, CCO that is not unacceptable to the Commission's staff. The CCO's compensation, necessary training, and other expenses shall be borne exclusively by MIM.

23. Compliance Training. Marco agrees to and has already completed thirty (30) hours of compliance training related to the Advisers Act.

24. Independent Compliance Consultant (“ICC”). MIM shall retain, within thirty (30) days of the entry of this Order, the services of an ICC that is not unacceptable to the Commission’s staff. The ICC’s compensation and expenses shall be borne exclusively by MIM.

25. MIM shall require that the ICC conduct regular comprehensive reviews of MIM’s supervisory, compliance, and other policies and procedures designed to detect and prevent federal securities law violations by MIM and its employees (the “Reviews”), including policies and procedures relating to: (a) the detection and prevention of fee overcharges to advisory clients and the accuracy and adequacy of the firm’s management agreements and related documentation; (b) the accuracy of MIM’s advertisements and adequacy of disclosures accompanying such advertisements consistent with Rule 206(4)-1 under the Advisers Act; and (c) the completeness and accuracy of MIM’s books and records and any Commission filings and MIM’s compliance with the requirements of Section 204(a) of the Advisers Act and Rule 204-2(a) thereunder.

26. During the three (3) year period beginning on the date of entry of this Order, MIM shall require the ICC to conduct its Reviews at least quarterly for the first year of review and at least twice per year for each of the second and third years of review.

27. MIM shall provide to the Commission’s staff, within thirty (30) days of retaining the ICC, a copy of an engagement letter or employment contract detailing the ICC’s hours, schedule, and responsibilities, which shall include the Reviews to be made by the ICC as described in this Order.

28. MIM shall require that, within one-hundred twenty (120) days of the entry of this Order, the ICC shall submit a written and dated report of its findings to MIM and to the Commission’s staff (the “Report”), which shall address the issues described above in Paragraph 25. Thereafter, within forty-five (45) days of the end of the applicable quarterly or semi-annual period for a Review, the ICC shall submit a Report, which shall also address the issues described above in Paragraph 25. MIM shall require that each Report include a description of the review performed, the names of the individuals who performed the review, the conclusions reached, the ICC’s recommendations for changes in or improvements to MIM’s policies and procedures, practices, and/or disclosures to clients, and a procedure for implementing the recommended changes in or improvements to MIM’s policies and procedures, practices, and/or disclosures.

29. MIM shall adopt all recommendations contained in each Report within sixty (60) days of the applicable Report; provided, however, that within forty-five (45) days after the date of the applicable Report, MIM shall in writing advise the ICC and the Commission’s staff of any recommendations in the Report that MIM considers to be unduly burdensome, impractical, or inappropriate. With respect to any recommendation that MIM considers unduly burdensome, impractical or inappropriate, MIM need not adopt that recommendation at that time but shall, at that time, propose in writing an alternative policy, procedure or system reasonably designed to achieve the same objective or purpose.

30. As to any recommendation with respect to MIM’s policies and procedures on which MIM, and the ICC do not agree, MIM and the ICC shall attempt in good faith to reach

an agreement within sixty (60) days after the date of the applicable Report. Within fifteen (15) days after the conclusion of the discussion and evaluation by MIM and the ICC, MIM shall require that the ICC inform MIM and the Commission's staff in writing of the ICC's final determination concerning any recommendation that MIM considers to be unduly burdensome, impractical, or inappropriate. MIM shall abide by the determinations of the ICC and, within sixty (60) days after final agreement between MIM and the ICC or final determination by the ICC, whichever occurs first, MIM shall adopt and implement all of the recommendations that the ICC deems appropriate.

31. Within ninety (90) days of MIM's adoption of all of the recommendations in a Report that the ICC deems appropriate, as determined pursuant to the procedures set forth herein, MIM shall certify in writing to the ICC and the Commission's staff that MIM has adopted and implemented all of the ICC's recommendations in the applicable Report. Unless otherwise directed by the Commission's staff, all Reports, certifications, and other documents required to be provided to the Commission's staff shall be sent to Aaron W. Lipson, Assistant Regional Director, Securities and Exchange Commission, 950 East Paces Ferry Road, N.E., Suite 900, Atlanta, Georgia 30326, or such other address as the Commission's staff may provide.

32. MIM and Marco shall cooperate fully with the ICC and shall provide the ICC with access to their files, books, records, and personnel that are reasonably requested by the ICC for review.

33. For the first three years following this Order, MIM: (a) shall not have the authority to terminate the ICC or substitute another ICC for the initial ICC, without the prior written approval of the Commission's staff; and (b) shall compensate the ICC for services rendered pursuant to this Order at his or her reasonable and customary rates.

34. MIM shall require the ICC to enter into an agreement providing that for the period of the engagement and for a period of two years from completion of the engagement, the ICC shall not enter into any new employment, consultant, attorney-client, auditing, or other professional relationship with MIM, or any of its present or former affiliates, directors, officers, employees, or agents acting in their capacity. The agreement will also provide that the ICC will require that any firm with which he/she is affiliated or of which he/she is a member, and any person engaged to assist the ICC in the performance of his/her duties under this Order shall not, without prior written consent of the staff of the Commission, enter into any employment, consultant, attorney-client, auditing or other professional relationship with MIM, or any of its present or former affiliates, directors, officers, employees, or agents acting in their capacity as such for the period of the engagement and for a period of two years after the existing engagement.

35. Recordkeeping. MIM shall preserve for a period of not less than six (6) years from the end of the fiscal year last used, the first two (2) years in an easily accessible place, any record of MIM's compliance with the undertakings set forth in this Order.

36. Notice to Advisory Clients. Within ten (10) days of the entry of this Order, MIM shall post prominently on its principal website a summary of this Order in a form

and location acceptable to the Commission's staff, with a hyperlink to the entire Order. MIM shall maintain the posting and hyperlink on MIM's website for a period of twelve (12) months from the entry of this Order. Within thirty (30) days of the entry of this Order, MIM shall provide a copy of the Order to each of MIM's existing advisory clients as of the entry of this Order via mail, e-mail, or such other method as may be acceptable to the Commission's staff, together with a cover letter in a form not unacceptable to the Commission's staff. Furthermore, for a period of twelve (12) months from the entry of this Order, to the extent that MIM is required to deliver a brochure to a client and/or prospective client pursuant to Rule 204-3 under the Advisers Act, MIM shall also provide a copy of this Order to such client and/or prospective client at the same time that MIM delivers the brochure.

37. Deadlines. For good cause shown, the Commission's staff may extend any of the procedural dates relating to the undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

38. Certifications of Compliance by Respondents. Respondents Marco and MIM shall each certify, in writing, compliance with their respective undertaking(s) set forth above. The certification shall identify the undertaking(s), provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission's staff may make reasonable requests for further evidence of compliance, and Respondents each agree to provide such evidence. The certification and supporting material shall be submitted to Aaron W. Lipson, Assistant Regional Director, Securities and Exchange Commission, 950 East Paces Ferry Road, N.E., Suite 900, Atlanta, Georgia 30326, or such other address as the Commission's staff may provide, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the undertakings.

IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest, and for the protection of investors to impose the sanctions agreed to in each of Respondents' Offers.

Accordingly, pursuant to Sections 203(e) and 203(k) of the Advisers Act with respect to MIM, and pursuant to Sections 203(f) and 203(k) of the Advisers Act with respect to Marco, it is hereby ORDERED that:

A. MIM cease and desist from committing or causing any violations and any future violations of Sections 204(a), 206(4), and 207 of the Advisers Act and Rules 204-2(a) and 206(4)-7 promulgated thereunder.

B. Marco cease and desist from committing or causing any violations and any future violations of Sections 204(a), 206(4), and 207 of the Advisers Act and Rules 204-2(a) and 206(4)-7 promulgated thereunder.

C. MIM and Marco are censured.

D. MIM shall pay disgorgement and prejudgment interest as follows:

(1) MIM shall pay disgorgement of \$124,750.44 (representing the amount of the improperly charged advisory fees) and prejudgment interest of \$7,595.94, consistent with the provisions of this Subsection D. Within ten (10) days of the entry of this Order, MIM shall deposit the full amount of the disgorgement and prejudgment interest (the “Disgorgement Fund”) into an escrow account acceptable to the Commission’s staff and MIM shall provide the Commission’s staff with evidence of such deposit in a form acceptable to the Commission’s staff. If timely deposit of the Disgorgement Fund is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600.

(2) MIM shall be responsible for administering the Disgorgement Fund. MIM shall pay applicable portions of the Disgorgement Fund to impacted current and former advisory clients, pursuant to a disbursement calculation (the “Calculation”) that has been submitted to, reviewed and approved by the Commission’s staff in accordance with this Subsection D.

(3) MIM shall, within thirty (30) days from the entry of this Order, submit a proposed Calculation to the Commission’s staff for its review and approval that identifies, at a minimum: (1) the client name and account number of each Impacted Account; (2) the exact amount of the payment to be made to such client; (3) the exact amount of any portion of the Disgorgement that MIM claims already has been paid to such client in anticipation of this Order, along with supporting proof of such advance payment. MIM also shall provide to the Commission’s staff such additional information and supporting documentation relating to the Calculation and Disgorgement as the Commission’s staff may request for the purpose of its review. No portion of the Disgorgement Fund shall be paid to any client account directly or indirectly in the name of or for the benefit of Marco. In the event of one or more objections by the Commission’s staff to MIM’s proposed Calculation and/or any of its information or supporting documentation, MIM shall submit a revised Calculation for the review and approval of the Commission’s staff and/or additional information or supporting documentation within ten (10) days of the date that MIM is notified of the objection, which revised Calculation shall be subject to all of the provisions of this Subsection D.

(4) MIM shall complete the transmission of all amounts otherwise payable to Impacted Accounts and advisory clients pursuant to a Calculation approved by the Commission’s staff within one hundred and twenty (120) days of the entry of this Order, unless such time period is extended as provided in paragraph (9) below of this Subsection D.

(5) If MIM does not distribute or return any portion of the Disgorgement Fund for any reason, including an inability to locate an impacted current or former advisory client or any factors beyond MIM’s control, MIM shall transfer any such undistributed funds to the Commission for transmittal to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. Payment must be made in accordance with the procedures set forth in Subsection E.

(6) MIM shall be responsible for any and all tax compliance responsibilities associated with the Disgorgement Fund and may retain any professional services necessary or

appropriate. The costs and expenses of any such professional services shall be borne by MIM and shall not be paid out of the Disgorgement Fund.

(7) Within one hundred and eighty (180) days after the date of entry of this Order, MIM shall submit to the Commission's staff for its approval a final accounting and certification of the disposition of the Disgorgement Fund, which final accounting and certification shall be in a format to be provided by the Commission's staff. The final accounting and certification shall include, but not be limited to: (1) the amount paid to each payee; (2) the date of each payment; (3) the check number or other identifier of money transferred; (4) the date and amount of any returned payment; (5) a description of any effort to locate a prospective payee whose payment was returned or to whom payment was not made for any reason; (6) any amounts to be forwarded to the Commission for transfer to the United States Treasury; and (7) an affirmation that the Disgorgement, plus any related amounts that MIM claims to have been refunded to Impacted advisory clients before the date of this Order, represents a fair and reasonable calculation of the compensation wrongfully received by MIM from 2010 through 2014 with respect to the Impacted Accounts. MIM shall submit proof and supporting documentation of such payment (whether in the form of cancelled checks or otherwise) in a form acceptable to the Commission's staff and under a cover letter that identifies MIM and Marco as Respondents in these proceedings and the file number of these proceedings, to Aaron W. Lipson, Assistant Regional Director, Securities and Exchange Commission, 950 East Paces Ferry Road, N.E., Suite 900, Atlanta, Georgia 30326, or such other address as the Commission's staff may provide. MIM shall provide any and all supporting documentation for the accounting and certification to the Commission's staff upon its request, and shall cooperate with any additional requests by the Commission's staff in connection with the accounting and certification.

(8) After MIM has submitted the final accounting to the Commission's staff, the staff shall submit the final accounting to the Commission for approval and shall request Commission approval to send any remaining amount to the United States Treasury.

(9) The Commission's staff may extend any of the procedural dates set forth in this Subsection D for good cause shown. Deadlines for dates relating to the Disgorgement Fund shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

E. MIM shall, within ten (10) days of the entry of this Order, pay a civil money penalty in the amount of \$100,000 to the Commission for transfer to the general fund of the United States Treasury in accordance with Exchange Act Section 21F(g)(3). Marco shall, within ten (10) days of the entry of this Order, pay a civil money penalty in the amount of \$50,000 to the Commission for transfer to the general fund of the United States Treasury in accordance with Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717. Payment must be made in one of the following ways:

- (1) Respondents may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

- (2) Respondents may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondents may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying MIM and Marco as Respondents in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Aaron W. Lipson, Assistant Regional Director, Securities and Exchange Commission, 950 East Paces Ferry Road, N.E., Suite 900, Atlanta, Georgia 30326, or such other address as the Commission's staff may provide.

F. Limitations be, and hereby are, placed on Marco's activities such that he shall not for the next 3 years act as a Chief Compliance Officer or compliance officer for any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

G. MIM and Marco shall comply with their respective undertakings enumerated in Section III, Subsection E, above.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Marco, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Marco under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Marco of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Brent J. Fields
Secretary