

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 95110 / June 16, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-19716

In the Matter of	:	
	:	
	:	
Sica Wealth Management, LLC and	:	ORDER APPROVING
Jeffrey C. Sica,	:	PLAN OF DISTRIBUTION
	:	
	:	
Respondents.	:	

On February 27, 2020, the Commission issued an 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 a Cease-and-Desist Order (the “Order”)¹ against Sica Wealth Management, LLC (“SWM”) and Jeffrey C. Sica (“Sica”) (collectively, the “Respondents”). In the Order, the Commission found that registered investment adviser, SWM, and its principal, Sica, violated the federal securities laws by failing to adequately disclose to approximately 45 advisory clients conflicts of interest in connection with Sica’s recommendation that they invest more than \$30 million in securities issued by Aequitas Commercial Finance, LLC (the “Aequitas Securities”), one of numerous entities affiliated with the Aequitas enterprise, the ultimate parent of which is Aequitas Management, LLC (collectively, referred to herein as “Aequitas”).²

¹ Advisers Act Rel. No. 5453 (Feb. 27, 2020).

² In March 2016, the Commission charged Aequitas Commercial Finance, LLC (“ACF”) and several other Aequitas companies and officers with defrauding the purchasers of more than \$300 million in ACF promissory notes and

From October 2013 to November 2015, the Respondents failed to disclose to their advisory clients material facts regarding compensation that Aequitas provided to SWM and another firm owned and controlled by Sica, (the “Affiliated Adviser”), which created conflicts of interest relating to SWM’s and Sica’s recommendations that clients invest in Aequitas Securities. Specifically, Aequitas paid SWM and the Affiliated Adviser a total of approximately \$2 million during the relevant period pursuant to consulting agreements and a loan agreement but the Respondents did not disclose these payments to their advisory clients.

The Commission ordered the Respondents to pay \$236,029.19 in disgorgement, \$62,664.23 in prejudgment interest, and \$110,000.00 in civil money penalties, for a total of \$408,693.42, to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties paid, along with the disgorgement and interest paid, can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund includes the \$408,693.42 paid by the Respondents. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Fair Fund has been deposited in an interest-bearing account at the U.S. Department of the Treasury’s Bureau of the Fiscal Service, and any interest accrued will be added to the Fair Fund.

On April 19, 2022, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),³ pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (the “Commission’s Rules”),⁴ and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the

other Aequitas securities. See *SEC v. Aequitas Management, LLC, et al.*, No. 3:16-cv-00438-PK (D. Or. filed March 10, 2016).

³ Exchange Act Rel. No. 94759 (Apr. 19, 2022).

⁴ 17 C.F.R. § 201.1103.

Proposed Plan from the Commission's public website or by submitting a written request to Noel Gittens, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876. The Notice also advised that all persons desiring to comment on the Proposed Plan could submit their comments, in writing, within 30 days of the Notice. The Commission received no comments on the Proposed Plan during the comment period.

The Proposed Plan provides for the reimbursement of advisory fees paid by SWM clients and compensation for investment losses related to the Respondents' violations, in accordance with the methodology detailed in the Proposed Plan.

The Division of Enforcement now requests that the Commission approve the Proposed Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104 of the Commission's Rules,⁵ that the Proposed Plan is approved, and the approved Plan of Distribution shall be posted simultaneously with this order on the Commission's website at www.sec.gov.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁶

Vanessa A. Countryman
Secretary

⁵ 17 C.F.R. § 201.1104.

⁶ 17 C.F.R. § 200.30-4(a)(21)(iv).