

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 11318 / October 15, 2024**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 101350 / October 15, 2024**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 6749 / October 15, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-22254**

**In the Matter of**

**GUSTAVO DOLFINO,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTION 8A OF THE  
SECURITIES ACT OF 1933, SECTIONS  
15(b) AND 21C OF THE SECURITIES  
EXCHANGE ACT OF 1934, AND SECTION  
9(b) OF THE INVESTMENT COMPANY  
ACT OF 1940, MAKING FINDINGS, AND  
IMPOSING REMEDIAL SANCTIONS AND  
A CEASE-AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), Sections 15(b), and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) against Gustavo Dolfino (“Respondent” or “Dolfino”).

**II.**

In anticipation of the institution of these proceedings, Dolfino 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, which are admitted, and except as provided herein in Section V, Dolfino consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the

Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### **III.**

On the basis of this Order and Respondent’s Offer, the Commission finds<sup>1</sup> that

#### **Summary**

These proceedings concern material misrepresentations Dolfino made to actual and prospective investors in Student Global, LLC (“Student Global”), an education-tech start-up. Dolfino was the founder and Chief Executive Officer (“CEO”) of Student Global. Between 2016 and 2022 (the “Relevant Period”), Dolfino raised approximately \$20.6 million dollars from investors by selling them membership interests in Student Global. To make the investment opportunity appear more attractive, Dolfino made material misrepresentations to investors concerning his prior entrepreneurial success, his own investment in Student Global, and his net worth. Specifically, Dolfino told investors that he had sold an internet-based pharmaceutical company, founded and sold a hedge fund, personally invested millions of dollars in Student Global, and that he was worth hundreds of millions of dollars. None of this was true. Dolfino dissolved Student Global in November 2023 after it ran out of money to finance its operations. Student Global’s investors never received any distribution or other return on their investment, and Student Global’s membership interests are now worthless.

#### **Respondent**

1. Dolfino, age 57, is a resident of New York, New York. Dolfino was the founder and CEO of Student Global, and pursuant to Student Global’s Operating Agreement (“Operating Agreement”), he was also the LLC’s sole manager. Prior to founding Student Global, Dolfino worked in the executive recruitment and securities industries. Between January 1995 and February 2024, Dolfino was a registered representative associated with ten different broker-dealers that were registered with the Commission, and was a registered representative associated with one registered broker-dealer during the Relevant Period. Dolfino holds SIE, Series 7, Series 63, and Series 79 licenses and previously held a supervisory license.

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<sup>1</sup> The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

### **Relevant Entity**

2. Student Global was a limited liability company formed under Delaware law. During the Relevant Period, Student Global's principal place of business was New York, New York. Student Global was at no time registered with the Commission in any capacity. In November 2023, Dolfino dissolved Student Global.

### **Background on Student Global**

3. Dolfino formed Student Global in 2016 to develop and market a virtual guidance counselor service, known as myKlovr, for high school students. myKlovr took user inputs to guide students through the college selection and application process.

4. Student Global had other executives and employees, but as CEO, Dolfino controlled Student Global's operations. In addition, Dolfino solicited investors to purchase membership interests in Student Global.

5. Student Global's business plan changed over time. At times, Student Global sought a business-to-business distribution, with myKlovr sold to companies which would then offer it as an employee benefit. At other times, Student Global focused on direct business-to-business-to-consumer distribution by trying to market and sell myKlovr to school districts or by generating revenue by selling data derived from its user base.

6. During the Relevant Period, Student Global did not generate a sufficient user base through any of its potential distribution channels to yield meaningful revenue. Between 2016 and 2021, Student Global had 302 paid users and generated \$60,000 in total revenue. In 2022, after six years of operation, Student Global added 144 paid users, generated approximately \$78,000 in revenue, and incurred a net loss of approximately \$1.3 million.

### **Dolfino's Solicitation of Student Global's Membership Interests**

7. Student Global was structured and governed by its Operating Agreement, which was amended from time to time during the Relevant Period. Individual ownership stakes in Student Global were held via either Class A ("Class A Interests") or Class B ("Class B Interests") membership interests.

8. The Operating Agreement defined Class A Interests as "the class of Interest held by the Class A Members and, unless otherwise provided [in the Operating Agreement], shall not include any right to participate in the operation, management or affairs of [Student Global], including the right to vote on, consent to, or otherwise participate in any decision" of the LLC's members. The Operating Agreement defined Class B Interests as the "class of Interest held by the Class B Members," and sets forth voting and other rights for Class B investors.

9. The Operating Agreement provided that a designated manager held the right to manage Student Global and that Dolfino was the designated manager, that he would hold that position until any voluntary resignation, and that he was not subject to removal for any reason. At all relevant times, including during the entire Relevant Period, Dolfino, was the sole manager of Student Global pursuant to the Operating Agreement.

10. Between January 2016 and June 2022, Dolfino solicited investors to purchase Class A Interests, which Student Global issued. Dolfino raised approximately \$14 million from the sale of Class A Interests to Class A investors, and the proceeds from the sale of Class A Interests went to Student Global.

11. Between March 2020 and June 2022, Dolfino solicited investors to purchase Class B membership interests in Student Global, which Dolfino personally owned. Dolfino raised approximately \$6.6 million from his sale of Class B Interests to Class B investors.

12. At all times, Dolfino maintained majority ownership in and managerial control over Student Global. Holders of Class A and Class B Interests, other than Dolfino, had no ability to exercise control over Student Global. Whether these investors would profit depended on Student Global's success and decisions taken by Dolfino as the sole manager.

### **Dolfino Made Oral Material Misrepresentations to Investors**

13. As Student Global was a start-up with little revenue, Dolfino's background and prior business experience were material to prospective investors in deciding whether to invest in Student Global. Likewise, whether Dolfino had committed his own capital and whether he had the financial capability to do so in the future was materially important to prospective investors.

14. Throughout the Relevant Period, Dolfino solicited Student Global investors by phone, via email, and in face-to-face meetings. As part of these solicitations, Dolfino made oral, material misrepresentations concerning his background, his own investment in Student Global, and his net worth, as described in more detail below.

15. During the Relevant Period, Dolfino claimed to prospective investors orally that he had sold a pharmaceutical company and donated the proceeds to charity. In reality, while Dolfino did establish an entity called "Cancer Frontiers," it had no operations and was never sold.

16. During the Relevant Period, Dolfino claimed to prospective investors orally that he had founded and sold a hedge fund, sometimes describing that transaction as very lucrative. In reality, Dolfino neither founded nor sold a hedge fund.

17. During the Relevant Period, Dolfino claimed to prospective investors orally that he had invested his own money in Student Global. Dolfino was not always specific about the amount of his investment, but sometimes referred to having invested millions of dollars of his own money in Student Global. Indeed, during the Relevant Period, Dolfino prepared a script for a Student Global employee to use in pitching the company to potential investors, and the script claimed that

Dolfino “had invested a ton of his own money” in Student Global. In reality, Dolfino did not invest any of his own money in Student Global before or during the Relevant Period; his only investment in the company was a loan he issued to the business for approximately \$177,000 in 2023, post-dating all relevant investor solicitation.

18. During the Relevant Period, Dolfino claimed to prospective investors orally that he was worth hundreds of millions of dollars. In reality, during the Relevant Period, Dolfino’s net worth was, at most, several million dollars.

19. In some cases, Dolfino made all the categories of misrepresentations described above to a single prospective investor. For example, during a phone call in August 2019 with a prospective Class A investor, Dolfino told the investor that Dolfino had sold a company that had oncology drugs, that he had founded and sold a hedge fund, and that he had personally invested \$8 million in Student Global.

20. Some investors purchased membership interests on multiple occasions, and in connection with the later-in-time sales to such investors, Dolfino did not correct any earlier misrepresentations that he had made.

#### **Dolfino Made Written Material Misrepresentations to Investors and Created a False Online Biography**

21. Early in the Relevant Period, Dolfino directed a third-party company to post a biography about him on the website “EverybodyWiki.com” (the “Online Biography”). Dolfino either drafted the Online Biography or directed the third party as to what contents to include. The Online Biography does not identify Dolfino (or anyone in particular) as its author.

22. The Online Biography, which states it was last revised in May 2019, contained the same types of misrepresentations described above. Specifically, it claimed:

- a. “[Cancer Frontiers] was successfully acquired by a major pharmaceutical company. Dolfino subsequently donated . . . 100% of the proceeds of the multi-million dollar sale to a charity focusing on cancer research.”
- b. “Dolfino founded . . . an offshore hedge fund with over \$3 billion dollars in assets under management . . . The holding company which owned [the hedge fund and other entities] was successfully sold in 2015 to a Taiwanese family office belonging to Wang Change (sic) Fu for over 35 million dollars in cash.”
- c. “[Dolfino’s] net worth is thought to exceed USD 300 Million.”

23. Dolfino emailed some prospective investors a link to the Online Biography. On other occasions, Dolfino arranged for the link to the Online Biography to be sent to prospective investors.

24. For example, on June 23, 2020, Dolfino sent a prospective investor a link to the Online Biography in an email, noting that it would “give you some color on me.” In other instances, Dolfino suggested that investors google him, or otherwise look for his biography on the internet.

25. Dolfino also referenced his own purported investment in Student Global in emails to prospective investors or intermediaries.

26. For example, on February 20, 2018, Dolfino sent an investor an email, which contained proposed language for this investor to use when soliciting another prospective investor, and Dolfino’s email claimed that he had “invested his own money.”

27. Similarly, on April 26, 2018, in direct response to an investor’s question to Dolfino in an email asking “how much he [Dolfino] had invested” in Student Global, Dolfino replied that he had “committed 2M,” meaning that Dolfino had invested \$2 million in Student Global.

### **Subsequent Events**

28. Throughout 2023, Student Global sought opportunities to sell its assets or merge with another entity to address its lack of liquidity. These efforts were unsuccessful, and Student Global became unable to fund business operations. Dolfino dissolved Student Global on November 28, 2023.

29. Class A and Class B investors have not received any return of capital as part of that dissolution or otherwise. The Class A and Class B Interests are now worthless.

### **Violations**

30. As a result of the conduct described above, Dolfino willfully violated Section 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in the offer or sale of securities and in connection with the purchase or sale of securities.

### **Disgorgement and Civil Penalties**

31. The disgorgement and prejudgment interest ordered in paragraph IV.D is consistent with equitable principles and does not exceed Dolfino’s net profits from his violations, and will be distributed to harmed investors to the extent feasible. The Commission will hold funds paid pursuant to paragraph IV.D in an account at the United States Treasury pending distribution. Upon approval of the distribution final accounting by the Commission, any amounts remaining that are infeasible to return to investors, and any amounts returned to the Commission in the future that are infeasible to return to investors, may be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

#### IV.

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

Accordingly, pursuant to Section 8A of the Securities Act, Sections 15(b) and 21C of the Exchange Act, and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent Dolfino cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Respondent Dolfino be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization;

prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter;

prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act, or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

C. Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

D. Respondent shall, within 10 days of the entry of this Order, pay disgorgement of \$5,110,500, prejudgment interest of \$646,377, and a civil monetary penalty in the amount of \$500,000 to the Securities and Exchange Commission. If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. If timely payment of the civil monetary penalty 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) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent 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) Respondent 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 Gustavo Dolfino as a Respondent 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 Tejal Shah, Division of Enforcement, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004-2616.

E. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, a Fair Fund is created for the disgorgement, prejudgment interest and penalties referenced in paragraph IV.B.D above. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

## 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



Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent 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 Respondent 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.

Vanessa A. Countryman  
Secretary