

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**DONALD S. LAGUARDIA, JR.**

**Defendant,**

**and**

**LR Global Frontier Master  
Fund Ltd., LR Global Frontier  
Fund Ltd. (offshore), LR Global  
Frontier Fund Ltd. (onshore),**

**Relief Defendants.**

**19-CIV-05895 (ALC/SDA)**

**Notice of Motion and Uncontested  
Motion for an Order to Disburse**

**TO ALL PARTIES AND THEIR COUNSEL OF RECORD:**

PLEASE TAKE NOTICE that, upon the accompanying Uncontested Motion, Memorandum, Declaration, and Proposed Order, and all other related papers and proceedings, Plaintiff, the Securities and Exchange Commission (the “SEC”), will move this Court, at a date and time to be determined by the Court, for an Order to Disburse.

**MOTION**

In accordance with the Plan of Distribution approved by this Court on June 30, 2020 (the “Plan,”), ECF No.113, the SEC respectfully submits this Uncontested Motion for an Order authorizing the SEC to disburse \$1,094,180.00, comprised of the Net Available Fair Fund<sup>1</sup> of \$175,218.44 and the Net Available Custodial Fund of \$918,961.56, in accordance with the Plan.

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<sup>1</sup> Capitalized terms not defined in this Motion are used as defined in the Plan.

The grounds for this Motion are set forth in the accompanying Memorandum and Declaration.

WHEREFORE, the SEC respectfully requests that the Court enter an Order substantially in the form submitted with this Motion.

Dated: August 21, 2024

Respectfully submitted,

s/Catherine E. Pappas  
Catherine E. Pappas  
Admitted Pro Hac Vice, ECF 103  
Email: pappasc@sec.gov  
Securities and Exchange Commission  
One Penn Center  
1617 JFK Blvd., Ste. 520  
Philadelphia, Pa. 19103  
Tel: (215) 597-0657  
Fax: (215) 597-2740  
*Attorney for Plaintiff Securities and  
Exchange Commission*

**CERTIFICATE OF SERVICE**

I, Catherine E. Pappas, hereby certify that, on August 21, 2024, I caused the foregoing Notice of Motion and Uncontested Motion, and accompanying documents, to be electronically filed with the clerk of the court for the U.S. District Court of Southern District of New York, using the electronic case filing system of the court. The electronic case filing system sent a “Notice of Electronic Filing” to all attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means.

s/ Catherine E. Pappas

Catherine E. Pappas

**UNITED STATES DISTRICT COURT  
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Frontier Fund Ltd. (onshore),**

**Relief Defendants.**

**19-CIV-05895 (ALC/SDA)**

**Memorandum of Law in Support  
of the Plaintiff's Uncontested  
Motion for an Order to Disburse**

**I. Introduction**

In accordance with paragraph 61 of the Court-approved distribution plan<sup>1</sup> (the “Plan”), the Plaintiff, the Securities and Exchange Commission (the “SEC”), respectfully submits this memorandum in support of its uncontested Motion for an Order authorizing the SEC to disburse \$1,094,180.00, comprised of the Net Available Fair Fund<sup>2</sup> of \$175,218.44 and the Net Available Custodial Fund of \$918,961.56, in accordance with the Plan.

**II. Background**

**A. The Civil Action and the Custodial Fund**

On June 24, 2019, the SEC filed its Complaint in this action against LaGuardia (the “Civil Action”). ECF No. 1. In the Complaint, the SEC alleges that, between at least 2013 and

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<sup>1</sup> ECF No. 113.

<sup>2</sup> Capitalized terms not defined in this memorandum are used as defined in the Plan.

May 2017, LaGuardia, through the investment adviser L-R Managers, LLC (“L-R Managers”), executed a scheme to defraud the Relief Defendants and their investors. Between 2013 and 2015, LaGuardia raised at least \$6 million from fewer than a dozen investors for investments in the Relief Defendants. The SEC alleged that LaGuardia misappropriated approximately \$2.62 million from the Relief Defendants and then concealed part of this misappropriation by directing that the misappropriated funds be recorded as a promissory note and receivable “due from” L-R Managers to the Relief Defendants. ECF No. 1, ¶ 1; ECF No. 48, ¶ 1. On July 21, 2021, the SEC filed an amended complaint (the “Amended Complaint”), naming the Relief Defendants, and seeking an Order transferring the Custodial Fund, in which the Relief Defendants claimed an interest, to the Court’s CRIS account. (ECF No. 48).

By Order entered July 5, 2022, the Court directed The Northern Trust Company (“NTC”), the custodian for the Relief Defendants, to liquidate the assets that it held in custody and transfer the funds, less a reserve for tax liabilities, to the CRIS Account. (ECF No. 78, the “July Order”). Pursuant to the July Order, NTC transferred approximately \$876,700 to the CRIS Account, comprising the Custodial Fund. (*See* ECF runner entries, Sept. 22, 2022).<sup>3</sup> These funds, along with accrued interest and any additional funds directed to the Custodial Fund by Court Order or otherwise, were be added to, and became part of, the Custodial Fund.

On August 30, 2023, the Court entered final judgment against LaGuardia. (ECF No. 106). In the final judgment, the Court, in relevant part, ordered LaGuardia to disgorge \$590,424.00 and to pay prejudgment interest of \$141,566.55, but deemed LaGuardia’s obligation

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<sup>3</sup> In addition to the approximately \$868,000 in transfers reflected on the docket, on or about August 25, 2023, NTC transferred to the CRIS Account approximately \$8,700 in custodial assets liquidated in The Federal Republic of Nigeria.

to pay satisfied by the restitution and forfeiture ordered in the related criminal proceeding, *U.S. v. LaGuardia*, 19-cr-0893 (LAK).<sup>4</sup>

## **B. The Related Administrative Proceeding and the Fair Fund**

On September 18, 2020, the SEC issued, by consent, an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing a Cease-and-Desist Order<sup>5</sup> against Northern Trust Hedge Fund Services LLC and Northern Trust Global Fund Services (collectively, the “Respondents”). The Related Administrative Proceeding arose out of the Respondents’ role as the fund administrators for the Relief Defendants from January 2016 through August 2017. The SEC found that the Respondents failed to adequately escalate concerns that they identified regarding LaGuardia and L-R Managers (collectively, the “Advisers”); provided monthly statements to investors that reflected materially inflated capital account balances and returns; and did not obtain sufficient pricing support for a significant holding of the Relief Defendants that was an illiquid investment in a private company affiliated with L-R Managers. The SEC determined that the Respondents were a cause of LaGuardia’s and L-R Managers’ misconduct set forth in the Civil Action and ordered the Respondents to pay \$167,629 in disgorgement, prejudgment interest, and civil penalties. The SEC further created the Fair Fund so the civil penalties, along with disgorgement and prejudgment interest, could be distributed to harmed investors. The Respondents paid in full.

By Order dated November 14, 2022, the SEC approved a plan of distribution for the Fair Fund and directed the SEC staff to transfer the Fair Fund, net any investment costs, to the CRIS

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<sup>4</sup> In a September 30, 2022, status report, the SEC stated its intent to voluntarily dismiss the Relief Defendants from the Civil Action. ECF No. 81.

<sup>5</sup> *Northern Trust Hedge Fund Services LLC, et al.*, Admin. Proc. No. 3-20030 (Sept. 18, 2020) (the “Related Administrative Proceeding”).

Account for distribution to harmed investors in accordance with a distribution plan to be approved by the Court in the Civil Action. On December 15, 2022, the SEC staff transferred \$169,711.55 to the CRIS Account, comprising the Fair Fund. ECF Docket Entry, December 22, 2023. Accrued interest, and any additional funds directed to the Fair Fund by Court Order or otherwise, have been added to, and became a part of, the Fair Fund.

### **C. The Distribution Fund and the Plan**

The Distribution Funds, comprised of the Custodial Fund and the Fair Fund, are currently held in an account at the U.S. Treasury. In the July Order, the Court appointed Lain, Faulkner and Co., P.C. (“Lain Faulkner”) as the distribution agent for the Distribution Funds (the “Distribution Agent”), to prepare and implement a distribution plan, in consultation with the SEC staff, to be approved by this Court . ECF No. 78. The Court further appointed Lain Faulkner as the tax administrator for the Distribution Fund (the “Tax Administrator”) pursuant to Section 468B(g) of the Internal Revenue Code, 26 U.S. C. §468B(g) and related regulations and ordered NTC, the Respondents, and Northern Trust Corporation (collectively referenced as “Northern Trust”), to pay all fees and expenses of the Distribution Agent and the Tax Administrator. ECF No. 78.

Upon application by the SEC after completion of procedures set forth in an Order to Show Cause,<sup>6</sup> the Court approved the Plan by Order entered December 7, 2023.<sup>7</sup> By the same Order, the Court directed the Clerk of the Court to transfer the Distribution Funds, which were, at that time, held by the Court, to the SEC. In accordance with the Court’s order, the Clerk sent approximately \$1.1 million from the Court’s registry account to the SEC, and the SEC deposited the Distribution Funds in an interest-bearing account held at the U. S. Treasury.

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<sup>6</sup> ECF Nos. 107-111.

<sup>7</sup> ECF No. 113.

As described below, since the approval of the Plan, the Distribution Agent has implemented the Plan and provided to the SEC staff a Fair Fund Payee List; a Custodial Fund Payee List; and the Declaration of Kelly McCullough, a Director for the Distribution Agent, attached as Exhibit 1 (“Declaration”). The SEC staff has accepted these documents.

### **III. The Execution of the Plan**

As described below and in the accompanying declaration, the Distribution Agent has completed the steps set forth in the Plan through the compilation of the Payee Lists and their submission to the SEC. *See* Declaration, attached as Exhibit 1. In accordance with paragraph 61 of the Plan, the SEC now applies to the Court for an Order authorizing the disbursement of the Distribution Funds in accordance with the Plan.

#### **A. Communications with Investors and the Plan Notice**

In accordance with paragraphs 47(a)-(d) of the Plan, by January 7, 2024, the Distribution Agent established and maintained a telephone number, an email address, and a mailing address, for communications with Custodial Claimants and Preliminary Claimants (collectively, “Claimants”), and established a case specific database of all Claimants. Declaration, ¶ 3. The Distribution Agent further set up a method by which Claimants could submit requested information securely. *Id.*, ¶ 4.

On December 21, 2023, after running a National Change of Address search to retrieve updated U.S. addresses, the Distribution Agent mailed the Plan Notice to the last known or updated addresses of all Claimants. *Id.*, ¶ 5. The Plan Notice provided background on the distribution; provided a link to the approved Plan and case information posted on the SEC’s website; provided instructions for requesting a copy of the Plan from the Distribution Agent; set forth the Claimant’s preliminary Custodial Amount and/or Investment and Recovery, and



specified procedures by which the investor could dispute their Custodial Amount and/or Investment or Recovery; and requested that the Claimant provide instructions for payment and a completed form W-8 and/or W-9, as applicable. *Id.*, ¶ 6. Claimants were given through March 6, 2024, to submit objections and provide the requested documentation. *Id.*

From September 2023 through June 2024, the Distribution Agent attempted to locate Custodial Claimants and/or Preliminary Claimants whose mailing was returned as undeliverable and/or who failed to respond to the Plan Notice with necessary information. Among other things, the Distribution Agent accessed Accurint (Lexis Nexis) to search for domestic claimants. Additionally, the Distribution Agent: (i) searched for corporate websites and references from Gov.uk for custodians in the United Kingdom and Guernsey, as well as corporate websites and Dunn & Bradstreet for custodians in Switzerland and Australia; (ii) searched LinkedIn for individuals associated with the custodians, as well as press releases referencing these individuals; and (iii) searched Australia-corp.com and the Australian Government – Australian Business Register website. *Id.*, ¶ 7. From December 2023 through June 2024, the Distribution Agent answered questions from Claimants regarding Claimants' Custodial Amounts, Investments, Recoveries, and requested documentation. *Id.*, ¶ 8. Through these efforts, the Distribution Agent located, and obtained necessary information from, all claimants except the Unresponsive Claimant described below. *Id.*

No Claimants disputed their Custodial Amount, Investment, or Recovery as set forth in the Plan Notice. *Id.*, ¶ 9. One Claimant, an Australian entity, did not provide the information requested in the Plan Notice, and the Distribution Agent has determined that Claimant to be an Unresponsive Claimant under paragraph 36 of the Plan. (the “Unresponsive Claimant”). *Id.*, ¶ 10. The Distribution Agent made this determination after attempting to verify the post office

box for an entity related to the Claimant; conducting online searches for the Claimant and its principal (the “Principal”), including Australia-corp.com, Australian Government-Australian Business Register website: abrbusiness.gov.au, LinkedIn, and google; and unsuccessfully following a lead to contact the Principal at a business in Western Australia. *Id.*

On May 31, 2024, the Distribution Agent sent Final Determination Notices to all responsive Claimants, confirming their final Custodial Amount, Investment, and/or Recovery. *Id.*, ¶ 11. The Distribution Agent also sent a Final Determination Notice to the Unresponsive Claimant at its last known address and through the lead referenced above, informing it that it had been determined an Unresponsive Claimant under paragraph 36 of the Plan. *Id.*

#### **B. Preparation of the Payee Lists and the Intended Distribution**

As of July 9, 2024, the Distribution Fund held \$1,126,645.54. *Id.*, ¶ 12. The Distribution Agent, working with the Tax Administrator, has determined a reserve of \$32,465.54 necessary to pay Administrative Costs (the “Reserve”). *Id.*, ¶ 13. After offsetting the Reserve, the Net Available Custodial Fund holds \$918,961.56, and the Net Available Fair Fund holds \$175,218.44. *Id.*, ¶ 14.

The Tax Administrator has informed the Distribution Agent that there is no tax withholding required for Distribution Payments from either of the Distribution Funds. *Id.*, ¶ 15. In accordance with Exhibit A to the Plan (Custodial Fund Plan of Allocation), and after applying the Minimum Distribution Amount of \$10.00, the Distribution Agent has determined seven Custodial Claimants eligible for a Distribution Payment from the Custodial Fund, each receiving the product of their *pro rata* redemption percent and the Net Available Custodial Fund. *Id.*, ¶ 16. The Distribution Agent has provided to the SEC staff the Custodial Payee List,

*id.*, and the SEC has accepted that payee list. Distribution Payments from the Custodial Fund aggregate to \$918,961.56. *Id.*

In accordance with Exhibit B to the Plan (Fair Fund Plan of Allocation), and after applying the Minimum Distribution Amount of \$10.00, the Distribution Agent has determined five Preliminary Claimants eligible for a Distribution Payment from the Fair Fund. *Id.*, ¶ 17. The Distribution Agent has provided to the SEC staff the Fair Fund Payee List, *id.*, and the SEC has accepted that payee list. Distribution Payments from the Fair Fund aggregate to \$175,218.44. *Id.*

In accordance with ¶ 60 of the Plan, the Distribution Agent represents that each of the Payee Lists was compiled in accordance with the approved Plan, is accurate as to the information contained on those lists, including Payees' names, addresses, Custodial Amounts and/or Investments and Recoveries, tax withholding amounts, and amounts of their Distribution Payment, and provides all information necessary to make a payment to each Payee. *Id.*, ¶ 18. After receipt of Distribution Payments from the Fair Fund, Custodial Fund, and including redemptions made prior to this distribution, each Payee receiving a Distribution Payment from the Fair Fund will have been compensated for, at least, 38.19% of their Investment.<sup>8</sup> *Id.*, ¶ 17.

In accordance with the Plan, upon Court order, the SEC will cause checks or electronic payments to issue from the U.S. Treasury pursuant to the Payee Lists and in accordance with the Plan. Plan, ¶ 63. Meanwhile, the Distribution Agent will send to the Payees a communication that includes, as appropriate: (a) a statement characterizing the distribution and

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<sup>8</sup> The Plan uses a rising tide methodology for calculating Distribution Payments from the Fair Fund, by which the Recoveries of the five Preliminary Claimants who had not recovered anything prior to the distribution will be brought closer to the Recoveries of the four Preliminary Claimants who had prior Recoveries. *See* ECF No. 108, p. 8 (explaining the rising tide methodology). By this methodology, each of the Payees will be brought up to, at least, a 38.19% Recovery of their Investment.

specifying if the Distribution Payment is from the Custodial Fund or the Fair Fund, and if both, how much of the Distribution Payment is from the Custodial Fund and the Fair Fund; (b) a statement that the tax treatment of the distribution is the responsibility of each Payee and that the Payee should consult his, her or its tax advisor for advice regarding the tax treatment of the distribution; (c) a statement that checks will be void and cannot be reissued after three hundred and sixty (360) days from the date the original check was issued; (d) a tax information statement; and (e) contact information for the Distribution Agent for questions regarding the Distribution Payment. Declaration, ¶ 19. Moreover, in accordance with ¶¶ 66-71 of the Plan, the Distribution Agent will use its best efforts to locate all Payees who do not cash checks and/or receive electronic payments and -will work with the SEC staff and the SEC's Office of Financial Management to reissue Distribution Payments as necessary and appropriate. *Id.*, ¶ 20.

Upon completion of the distribution and any subsequent distribution(s) in accordance with the Plan, the SEC will move the Court for an Order, as appropriate, approving a final accounting, discharging the Distribution Agent, and terminating the Distribution Funds.

**IV. Conclusion**

For all the foregoing reasons, the SEC respectfully requests that the Court issue an Order substantially in the form submitted with the Motion and grant such other relief as the Court deems appropriate.

Dated: August 21, 2024

Respectfully submitted,

s/ Catherine E. Pappas  
Catherine E. Pappas  
Admitted *Pro Hac Vice*, ECF No. 103  
Email: [pappasc@sec.gov](mailto:pappasc@sec.gov)  
Securities and Exchange Commission  
One Penn Center  
1617 JFK Blvd., Ste. 520  
Philadelphia, Pa. 19103  
Tel: (215) 597-0657  
Fax: (215) 597-2740  
*Attorney for Plaintiff Securities and  
Exchange Commission*

Att: Exhibit 1 (Declaration of Kelly McCullough in Support of the Plaintiff's Motion to Disburse)

**Exhibit 1**

(Declaration of Kelly McCullough in Support of the Plaintiff's Motion to Disburse)

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**19-CIV-05895 (ALC/SDA)**

**Declaration of Kelly McCullough  
in Support of the Plaintiff's  
Motion to Disburse**

I, Kelly McCullough, pursuant to 28 U.S.C. § 1746, declare under penalty of perjury as follows:

1. I am a Director for Lain, Faulkner and Co., P.C. ("Lain Faulkner"), the Court-appointed Distribution Agent for the Custodial Fund and the Fair Fund (collectively, the "Distribution Funds"). I submit this Declaration in support of the Securities and Exchange Commission's (the "SEC") Motion for an Order to Disburse.

2. The following statements are based on my personal knowledge and information provided to me by other experienced employees working under my supervision. If called to testify regarding the facts in this declaration, I could do so competently.

**MAILING OF, AND OUTREACH ON, THE PLAN NOTICE**

3. In accordance with the Plan, paragraphs 47(a)-(d), by January 7, 2024, Lain Faulkner established and/or maintained a telephone number, an email address, and a mailing address, and established a case specific database of all Claimants.

4. Lain Faulkner further set up a method by which Claimants could submit requested

information to Lain Faulkner securely.

5. After running a National Change of Address search to retrieve updated U.S. addresses, on December 21, 2023, 2024, Lain Faulkner mailed the Plan Notice<sup>1</sup> to the last known or updated addresses of all Custodial Claimants and Preliminary Claimants.

6. The Plan Notice provided background on the litigation and characterized the distribution; provided a link to the approved Plan and case information posted on the SEC's website, and instructions for requesting a copy of the Plan from the Distribution Agent; set forth the Claimant's preliminary Custodial Amount and/or Investment and Recovery (Redemptions), and specified procedures by which the investor could dispute their Custodial Amount and/or Investment or Recovery; and requested that the investor provide instructions for payment as well as a completed form W-8 and/or W-9, as applicable. Claimants were given through March 6, 2024, to submit objections and provide the requested documentation.

7. From September 2023 through June 2024, Lain Faulkner attempted to locate Custodial Claimants and/or Preliminary Claimants whose mailing was returned as undeliverable and/or who failed to respond to the Plan Notice with necessary information. Among other things, Lain Faulkner accessed Accurint (Lexis Nexis) to search for domestic claimants. Additionally, Lain Faulkner: (i) searched for corporate websites and references from Gov.uk for custodians in the United Kingdom and Guernsey, as well as corporate websites and Dunn & Bradstreet for custodians in Switzerland and Australia; (ii) searched LinkedIn for individuals associated with the custodians, as well as press releases referencing these individuals; and (iii) Australia-corp.com and the Australian Government – Australian Business Register website. Through these efforts, Lain Faulkner located, and obtained necessary information from all but the Claimant described below in paragraph 10.

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<sup>1</sup> Capitalized terms not defined in this Declaration are used as defined in the Plan.



8. From December 2023 through June 2024, Lain Faulkner answered questions from Claimants regarding Claimants' Custodial Amounts, Investments, Recoveries (Redemptions), and requested documentation. Lain Faulkner has obtained the information requested in the Plan Notice from all Claimants other than the Claimant described below in paragraph 10.

9. No Claimants disputed to their Custodial Amount, Investment, or Recovery (Redemptions) as set forth in the Plan Notice.

10. Lain Faulkner has determined that one Claimant, an Australian entity, from whom it has not received the information requested in the Plan Notice, is an Unresponsive Claimant under the Plan. Lain Faulkner made this determination after:

- a) attempting to verify the post office box for an entity related to the Claimant;
- b) conducting online searches for the Claimant and its principal (the "Principal"), including Australia-corp.com, Australian Government-Australian Business Register website: abrbusiness.gov.au, LinkedIn, and google; and
- c) following a lead to contact the Principal at a business in Western Australia, with no success.

Because the Claimant has not timely provided information required by the Plan Notice and Lain Faulkner has been unable to contact the Claimant despite reasonable efforts to do so, Lain Faulkner has determined the Claimant to be an Unresponsive Claimant under paragraph 36 of the Plan (the "Unresponsive Claimant").

11. On May 31, 2024, Lain Faulkner sent Final Determination Notices to all responsive Claimants, confirming their final Custodial Amount, Investment, and/or Recoveries (Redemptions). Lain Faulkner also sent a Final Determination Notice to the Unresponsive Claimant at its last known address and through the lead described above, informing it that it had been determined an Unresponsive Claimant under paragraph 36 of the Plan.

**PREPARATION OF THE PAYEE LISTS**

12. As of July 9, 2024, the Distribution Fund holds \$1,126,645.54.

13. Lain Faulkner, working with the Tax Administrator, has determined a reserve of \$32,465.54 necessary to pay Administrative Costs (the "Reserve").

14. After offsetting the Reserve, the Net Available Custodial Fund holds \$918,961.56, and the Net Available Fair Fund holds \$175,218.44.

15. The Tax Administrator has informed the Distribution Agent that there is no tax withholding required for Distribution Payments from either Fund.

16. In accordance with Exhibit A to the Plan (Custodial Fund Plan of Allocation), and after applying the Minimum Distribution Amount of \$10.00, Lain Faulkner has determined seven Custodial Claimants eligible for a Distribution Payment from the Custodial Fund, each receiving the product of their *pro rata* redemption percent and the Net Available Custodial Fund. *See* Plan, Exhibit A. Distribution Payments from the Custodial Fund aggregate to \$918,961.56. Lain Faulkner has provided to the SEC staff the Custodial Payee List.

17. In accordance with Exhibit B to the Plan (Fair Fund Plan of Allocation), and after applying the Minimum Distribution Amount of \$10.00, Lain Faulkner has determined five Preliminary Claimants eligible for a Distribution Payment from the Fair Fund. Distribution Payments from the Fair Fund aggregate to \$175,218.44. Lain Faulkner has provided to the SEC staff the Fair Fund Payee List. After receipt of Distribution Payments from the Fair Fund, Custodial Fund, and prior redemptions, each Payee receiving a Distribution Payment from the Fair Fund will have been compensated for, at least, 38.19% of their Investment.

18. In accordance with ¶ 60 of the Plan, Lain Faulkner represents that each of the Payee Lists was compiled in accordance with the approved Plan, is accurate as to the information contained therein, including Payees' names, addresses, Custodial Amounts and/or Investments and

Recoveries (Redemptions), tax withholding amounts, and amounts of their Distribution Payment, and provides all information necessary to make a payment to each Payee.

19. In accordance with the Plan, ¶ 72, prior to the issuance of Distribution Payments, Lain Faulkner will send to the Payees a communication that includes: (a) a statement characterizing the distribution and specifying if the Distribution Payment is from the Custodial Fund or the Fair Fund, and if both, how much of the Distribution Payment is from the Custodial Fund and the Fair Fund; (b) a statement that the tax treatment of the distribution is the responsibility of each Payee and that the Payee should consult his, her or its tax advisor for advice regarding the tax treatment of the distribution; (c) a statement that checks will be void and cannot be reissued after three hundred and sixty (360) days from the date the original check was issued; (d) a tax information statement; and (e) contact information for the Distribution Agent for questions regarding the Distribution Payment.

20. In accordance with ¶¶ 66-71 of the Plan, Lain Faulkner will use its best efforts to locate all Payees who do not cash checks and/or receive electronic payments, and will work with the SEC staff and the SEC's Office of Financial Management to reissue Distribution Payments as necessary and appropriate.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 21, 2024

A handwritten signature in blue ink, reading "Kelly W. Lynch", written over a horizontal line.

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**SECURITIES AND EXCHANGE  
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**Defendant,**

**and**

**LR Global Frontier Master  
Fund Ltd., LR Global Frontier  
Fund Ltd. (offshore), LR Global  
Frontier Fund Ltd. (onshore),**

**Relief Defendants.**

**19-CIV-05895 (ALC/SDA)**

**(Proposed) Order to Disburse**

The Court has reviewed the Securities and Exchange Commission's (the "SEC") Uncontested Motion for an Order to Disburse, the accompanying Memorandum in Support, the Declaration of Kelly McCullough, a Director for Distribution Agent, Lain, Faulkner and Co., P.C. (the "Distribution Agent"), and any related filings;

**AND**, in accordance with this Court's Order entered December 7, 2023 (ECF No. 113), the Clerk of the Court has transferred to the SEC all funds in the Court Registry Investment account under the caption of this case;

**AND THE COURT** has considered all arguments presented, and for good cause shown;

**IT IS HEREBY ORDERED** that the SEC shall disburse \$1,094,180.00 from an SEC-designated account at the U.S. Treasury in accordance with the distribution plan approved by this Court (ECF No. 113).

\_\_\_\_\_, 2024

\_\_\_\_\_  
ANDREW L. CARTER, JR.  
U.S. District Court Judge