UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77717 / April 26, 2016

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3770 / April 26, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17227

In the Matter of **CABELA'S INCORPORATED and RALPH W. CASTNER, CPA** **Respondents.**	**ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING A CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission ("Commission") deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 ("Exchange Act"), against Respondents Cabela's Incorporated ("Cabela's") and Ralph W. Castner, CPA ("Castner").

II.

In anticipation of the institution of these proceedings, Respondents have each submitted Offers 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 them and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondents consent to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order ("Order"), as set forth below.

III.

On the basis of this Order and Respondents' Offers, the Commission finds[1] that:

Summary

Cabela's is a specialty retailer and direct marketer of hunting, fishing, camping, and related outdoor merchandise headquartered in Sidney, Nebraska. In January 2012, Cabela's entered into a new intercompany agreement ("ICA") with its wholly-owned bank subsidiary, World's Foremost Bank ("WFB"), that increased the amount WFB paid to Cabela's each quarter for WFB's use of the company's intellectual property and trademarks and for the cost of bank promotions relating to the Visa credit card that WFB issued (the "promotions fee"). Contrary to Generally Accepted Accounting Principles ("GAAP") and statements in Cabela's periodic filings for each quarter and fiscal year-end for 2012, Cabela's failed to eliminate the intercompany promotions fee in preparing its consolidated financial statements. Cabela's failure to comply with this GAAP requirement resulted in an understatement of merchandise costs and a corresponding understatement of financial services revenue on the company's consolidated income statement. This in turn increased Cabela's merchandise gross margin percentage, a key company-specific financial metric that signaled the profitability of the company and was referenced by the company in earnings releases and analysts calls. The non-elimination of the promotions fee contributed approximately 47% to 100% to a reported year-over-year increase in the metric for the first through third quarters and year-end 2012.[2] Cabela's description of the reasons for the year-over-year increase in merchandise gross margin percentage in its filings[3] and its earnings releases failed to disclose the role that the promotions fee played in the year-over-year increase. This resulted in materially misleading financial disclosures in the company's 2012 MD&A and earnings releases that were reinforced by Cabela's incorrect statements in its periodic filings that "[a]ll intercompany accounts and transactions have been eliminated in consolidation." During the relevant period, Castner was Cabela's chief financial officer ("CFO"). He was aware of the contribution of the promotions fee to Cabela's reported merchandise gross margin percentage, and he made the decision not to disclose it because of his stated view that the associated promotional costs incurred by Cabela's offset the impact of the promotions fee on the quarterly increase. It was materially misleading for Cabela's and Castner not to disclose the impact of the promotions fee on the year-over-year increase in merchandise gross margin percentage each quarter in 2012.

In the third quarter of 2012, Cabela's also failed to account properly for various other items in conformity with GAAP. These accounting errors increased net income for that quarter. Castner

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[1] The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

[2] Merchandise gross margin is defined in Cabela's 2012 Form 10-K as merchandise sales less the costs of related merchandise sold and shipping costs. Cabela's used the terms merchandise gross margin and merchandise gross profit interchangeably. Merchandise gross margin percentage reflects Cabela's gross profit as a percentage of its merchandise sales.

[3] Cabela's discussed merchandise gross margin percentage in its Management's Discussion and Analysis ("MD&A").

was not involved directly in the accounting failures in the third quarter of 2012 and the underlying accounting decisions were not reported to Castner.

Respondents

1. Cabela's is a Delaware corporation, based in Sidney, Nebraska, and a specialty retailer and direct marketer of outdoor merchandise. Cabela's became a public company in 2004. Cabela's stock is registered with the Commission under Section 12(b) of the Exchange Act and trades on the NYSE (Symbol: CAB).

2. Castner, CPA, age 52, resides in Sidney, Nebraska. Castner has been employed by Cabela's since 2000 and has served as its CFO since 2003. He has been a licensed CPA in Nebraska since 1985. His CPA license has been inactive since 2000. Before joining Cabela's, Castner served in various finance positions with First Data Corporation from 1990 to 2000 and was an auditor with Touche Ross & Co. from 1985 to 1990.

Cabela's Failure to Disclose the Impact of the Promotions Fee

3. Since the formation in 2001 of WFB, Cabela's wholly-owned bank subsidiary, the operating relationship between Cabela's and WFB has been governed by an ICA. As part of that relationship, WFB issues and manages Cabela's Club Visa credit card, which serves as Cabela's primary customer loyalty rewards program. Although the ICA has been amended several times since its inception, the ICA generally provides for WFB to compensate or reimburse Cabela's for WFB's use of the company's intellectual property and trademarks and the cost of bank promotions – e.g., club card points, merchandise discounts, and shipping discounts. The reimbursement provided for in the ICA is called a promotions fee. Up until January 2012, WFB paid Cabela's a fixed promotions fee of $2.3 million annually.

4. Effective January 1, 2012, Cabela's entered into a new ICA with WFB. Under the new ICA, the promotions fee was calculated based on the charge volume on Cabela's Club Visa credit cards. If customer charges were greater than $11 billion, WFB paid a fee to Cabela's of 0.10% of the charges. If customer charges were less than $11 billion, the fee was 0.05% of the charges. Because customer charges exceeded $11 billion in 2012, WFB paid to Cabela's 0.10% of the charges or approximately $15.8 million in 2012. The fee was paid quarterly through intercompany accounts.

5. Under the new ICA, Cabela's recorded the promotions fee as a reduction of WFB's revenue and a decrease in cost of merchandise sales for Cabela's. Under GAAP, intra-entity transactions must be eliminated in the preparation of consolidated financial statements.[4] Specifically, Cabela's consolidation entries should have increased WFB revenue and Cabela's merchandise cost of sales by the amount of the fee each quarter in order to eliminate the impact of

[4] ASC 810-10-45 requires that "in the preparation of consolidated financial statements, intra-entity balances and transactions shall be eliminated. This includes intra-entity open account balances, security holdings, sales and purchases, interest, dividends, and so forth … [A]ny intra-entity profit or loss on assets remaining within the consolidated group shall be eliminated; the concept usually applied for this purpose is gross profit or loss."

the promotions fee. Cabela's also stated in each of its periodic filings from 2012 through the first quarter of 2014 that "[a]ll intercompany accounts and transactions have been eliminated in consolidation." Contrary to GAAP and its representations in its 2012 periodic filings, Cabela's failed to eliminate the financial impact of the promotions fee in its consolidated financial statements. As a consequence, Cabela's income statement understated both financial services revenue and merchandise costs during that period. Castner knew all intercompany accounts needed to be eliminated in consolidation.

6. Cabela's error in failing to eliminate the promotions fee in consolidation had a material positive impact on Cabela's merchandise gross margin percentage. Merchandise gross margin percentage is a key company-specific financial metric signaling the profitability of the company on the sale of its product and is highlighted by Cabela's in its periodic filings and earnings releases. Cabela's calculated this measure by subtracting merchandise costs from merchandise revenue and then dividing that number by total merchandise revenue. Because Cabela's merchandise cost was reduced each quarter by the promotions fee, the merchandise gross margin percentage was overstated on a gross basis by approximately 50 to 70 basis points ("bps") (or .5% to .7%) from 2012 through the first quarter of 2014.[5]

7. Cabela's focused the investment community on changes in its merchandise gross margin percentage year-over-year. The most dramatic year-over-year increase in merchandise gross margin percentage was in 2012 because the 2012 quarters were compared to 2011 quarters when the fee was substantially lower. In fact, the promotions fee contributed approximately 47% to 100% of the year-over-year increase in the merchandise gross margin percentage for each quarter in 2012 and the 2012 year end.[6] Analysts reported on Cabela's merchandise gross margin percentage increase and many analysts cited to the merchandise gross margin percentage as a basis for a favorable view of the company during 2012.

8. Cabela's merchandise gross margin and merchandise gross margin percentage were not separately delineated in the company's financial statements, but they were discussed in its MD&A in its quarterly filings, in earnings releases, and on earnings calls. Specifically, in the MD&A section of each of its periodic filings from first quarter 2010 through year-end 2012, Cabela's reported on its progress in meeting strategic initiatives identified in 2010 in its long term strategic plan commonly referred to as "2012 Vision." One of the initiatives was to improve merchandise gross margin or merchandise performance by 200 to 300 bps or 2-3% from 34.6% in 2009 to at least 36.6% by year-end 2012. In each of its periodic filings in 2012, Cabela's listed the primary contributors to the increase year over year in merchandise gross margin percentage. Cabela's typically repeated these items in its quarterly earnings releases during 2012 which were filed with the Commission in Forms 8-K.

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[5] Cabela's failed to disclose the impact of the promotions fee on the merchandise gross margin percentage until the second quarter of 2014 when the company determined that the non-elimination of the promotions fee in the consolidated financial statements was an error. In Cabela's second quarter 2014 Form 10-Q, Cabela's began eliminating the promotions fee in its consolidated financial statements on a going forward basis.

[6] The impact of the fee on the year-over-year comparison became less significant in 2013 when comparing the promotions fee paid by WFB to Cabela's in 2013 to 2012 because the calculation for both years contained the increased fees, $17.6 million and $15.8 million respectively.

9. Cabela's failed to disclose in the MD&A of each periodic filing and its quarterly earnings releases in 2012 the material contribution of the promotions fee to the quarterly 2012 increases in the merchandise gross margin percentage. Moreover, because the filings incorrectly stated that intercompany transactions had been eliminated in consolidation, investors were not aware that an intercompany payment was responsible for a material part of the improvement in the key financial metric.

10. In preparation for the earnings call for the first quarter 2012, Castner was provided with an earnings release report ("ER Report") describing the factors that contributed to that quarter's increase in merchandise gross margin. In Q1 2012, Cabela's merchandise gross margin percentage increased to 34.5%, up from 33% in Q1 2011, or 150 bps year-over-year. The report showed that the promotions fee was responsible for 70 of the 150 bps increase year over year (almost half of the increase). If the promotions fee had been eliminated in consolidation, Cabela's would have only reported an 80 bps increase in the merchandise gross margin percentage year over year.

11. In the first quarter 2012, Castner made the decision not to disclose the effect of the promotions fee in the first quarter 2012 Form 10-Q and earnings release and rejected proposed language disclosing the impact of the promotions fee on the metric for inclusion in filing because of his stated view that the associated promotional costs incurred by Cabela's offset the impact of the promotions fee on the quarterly increase. Because Castner rejected disclosure in the first quarter of 2012, the issue did not come up again and Cabela's continued not to disclose the impact of the promotions fee on the reported merchandise gross margin percentage until it filed its second quarter Form 10-Q for the quarter ended June 30, 2014.

12. In Cabela's first quarter 2012 Form 10-Q, Cabela's highlighted in MD&A that the merchandise gross margin as a percentage of merchandise revenue was increasing, noting that it "increased 150 bps to 34.5% in the three months ended March 31, 2012" comparative year over year. In the filing, Cabela's also stated that "[t]his increase was primarily attributable to better inventory management, . . . improvements in vendor collaboration, and advancements in price optimization . . . ." Cabela's failed to mention that the promotions fee was responsible for 70 bps, or almost one-half, of the merchandise gross margin percentage increase year over year.

13. Cabela's earnings release for the second quarter 2012 stated that "Merchandise margin increased 70 basis points [or .7%] to 37.4%, the highest level in more than five years."[7] Cabela's claimed in the release that the increase was attributable to '[o]ngoing focus on Cabela's branded products, improved in-season and pre-season planning, and greater vendor collaboration." The ER Report for the second quarter that Castner received in preparation for the earnings call, however, showed that the promotions fee contributed 78 bps or 100% of the increase to the metric year over year. Without the promotions fee, Cabela's would have reported no change in its merchandise gross margin percentage year over year for the quarter. Cabela's made similar misstatements and omissions in the second quarter 2012 Form 10-Q.

[7] Cabela's second quarter 2011 merchandise gross margin percentage was 36.7%.

14. Cabela's earnings release for the third quarter stated that "Merchandise gross margin increased 130 basis points to 37.2%. This is the sixth consecutive quarter of merchandise margin improvement."[8] Both the earnings release and the Form 10-Q attributed the increase to an "[o]ngoing focus on Cabela's branded products, improved in-season and pre-season planning, and greater vendor collaboration …" which "overcame strong sales of firearms and ammunition, which had a 60 basis point negative impact on merchandise gross margin." The third quarter ER Report that Castner received, however, showed an increase of 1.25% year over year for the third quarter (rounded up to the reported 130 basis points increase) to which the promotions fee contributed 66 basis points, or over one-half of the increase.

15. Moreover, Cabela's 2012 Form 10-K, addressing year-end rather than quarterly results, stated, "our merchandise gross margin as a percentage of merchandise revenue increased 70 basis points to 36.3% in 2012 compared to 35.6% in 2011." For the year 2012, the promotions fee contributed approximately 50 basis points to the 70 basis point year-over-year increase. The Form 10-K attributed the increase to various factors that did not include the promotions fee.

Financial Statement, Accounting, and Disclosure Failures in Third Quarter 2012

16. In the third quarter 2012, Cabela's failed to account properly for several items as required under GAAP in its financial statements. These errors increased Cabela's third quarter 2012 net income by approximately $2.02 million or 4.72%.

17. After the close of the third quarter books, Cabela's discovered an error in the calculation of Cabela's current quarter state income tax expense. The correction of this tax error would have increased third quarter income tax expense by approximately $674,000. Instead of correcting the tax error, Cabela's made an adjustment to offset the additional income tax expense by increasing the portion of its revenue characterized as "indefinitely invested foreign earnings" by $5 million, which had the effect of reducing tax expense by approximately $674,000.[9] Under GAAP, the presumption that all undistributed earnings of a foreign subsidiary will be transferred to the parent entity generating a deferred tax expense for the anticipated repatriation may be overcome if the subsidiary has invested or evidences an intent and ability to reinvest the undistributed earnings indefinitely, pursuant to ASC 740-30-27-17. Cabela's did not have the requisite support for changing (increasing) the amount of indefinitely reinvested foreign earnings as of the end of the third quarter, which is required under GAAP. Because Cabela's inappropriately offset its income tax expense, it should have corrected the state income tax error in the third quarter by recording an expense of $674,000 in its financial statements. This error resulted in a $674,000 decrease in income tax expense and an increase in Cabela's third quarter net income.

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[8] Cabela's third quarter 2011 merchandise gross margin percentage was 35.9%.

[9] "Indefinitely invested foreign earnings" are undistributed earnings of a foreign subsidiary that will not be repatriated to the U.S. parent in the foreseeable future. Increasing the amount of indefinitely reinvested earnings has the effect of providing a foreign tax benefit. The foreign tax benefit results from including lower foreign taxes in the consolidated income tax expense without an additional deferred tax expense due to the incremental U.S. taxes that will occur upon repatriation (in cases where the U.S. tax rate is higher than the foreign tax rate).

18. The quarterly calculation of WFB's allowance for loan loss reserve, the reserve for doubtful credit card receivables, was based on two components – a model reserve and a discretionary management adjustment in which management considered general economic and business conditions affecting key lending areas, credit concentration, changes in origination and portfolio management, and credit quality trends. In the third quarter 2012, WFB changed the way it determined the pool of delinquent loans underlying the management adjustment by removing from the delinquent pool accounts with credit scores of 691 and above (the loans less likely to be delinquent). In calculating the adjustment based on this new pool, WFB used the wrong loss rate. Contrary to GAAP, WFB initially calculated the loss rate for the revised pool (19%) but chose to use the lower rate (17.8%) that it had used when the pool included the less risky accounts as the difference was deemed immaterial to the reserve. [10] This action resulted in an under-accrual of the reserve by $367,784 and a positive impact on net income of $248,990.

19. Cabela's historically booked receivables for overpayments to vendors. The potential overpayments were first identified by an accounts payable examination company. They were then verified by Cabela's, approved by various departments within Cabela's for collection, and then submitted to the vendor to provide it with the opportunity to object to Cabela's assessment of the overpayment. The amount of the receivable booked by Cabela's for an overpayment depended on where the overpayment was in the lifecycle of investigation. Vendor overpayment accruals ranged from 0% to 100% of the amount of the overpayment identified, with claims newly submitted to a vendor on the low end of the range and overpayments approved by the vendor for payment on the high end of the range. In the third quarter, Cabela's accrued a receivable for the "submitted" category of overpayment, the category in the earliest stage of the lifecycle in which the accounts payable examination company had just identified the potential overpayment. Cabela's had historically accrued the submitted category at 0% because Cabela's had not done any work to assess the validity of the claims nor determined whether to seek reimbursement from the vendors if the claims appeared to be valid. Instead, in the third quarter of 2012, Cabela's accrued 73% of the items in the submitted category, increasing the vendor receivable from $547,214 to $939,271. The 73% was simply based on the number of vendors in the prior year from which Cabela's had successfully collected overpayments with no regard to the amounts collected. Cabela's did not have sufficient evidence as of the third quarter to support its claim to an asset for the submitted category. Because an insufficient evaluation of the claims had been performed to determine if the claims were valid or if the counterparty would pay, it was improper to accrue the $392,077 for the submitted claims.[11] This error decreased cost of goods sold by $392,077 and increased net income by $265,436.

20. In the third quarter of 2012, Cabela's excluded from the pool from which Cabela's calculated its general obsolescence reserve guns that had been specifically designed to celebrate Cabela's 50th anniversary in business. The purpose of Cabela's obsolescence reserve

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[10] The ASC 250-10-20 Glossary defines an "Error in Previously Issued Financial Statements" as "an error in the recognition, measurement, presentation, or disclosure in financial statements resulting from mathematical mistakes, mistakes in the application of generally accepted accounting principles (GAAP), or oversight or misuse of facts that existed at the time the financial statements were prepared."

[11] ASC 250-10-20. See fn 11.

was to reduce Cabela's merchandise inventory to lower of cost or market. Cabela's obsolescence reserve was a general reserve for all items in inventory. Cabela's written obsolescence reserve procedures acknowledged that the obsolescence pool used to calculate the reserve included items that would not be sold below cost and vice versa. No inventory had previously been removed from the pool. The removal of the 50th anniversary guns totaling $1.4 million from the obsolete inventory pool was done without any analysis of overall inventory levels, but instead based on the belief that the 50th anniversary guns would not be sold below cost. The impact of removing the $1.4 million of 50th anniversary guns was to reduce the obsolescence reserve by $327,000. GAAP requires that the reserve must be supported by well-documented analyses and applied consistently from period to period.[12] Because Cabela's changed the pool of inventory in its obsolescence reserve without sufficient analysis, this was an error under GAAP.[13] This error decreased the cost of goods sold by $327,000 and increased net income by $221,379.

21. In the third quarter 2012, Cabela's booked an $899,607 receivable correcting an earlier error relating to the overpayment of sales taxes that occurred and was quantified in a prior period. Cabela's had previously calculated the amount of the correction and should have booked it in a prior period. As a result of this error, Cabela's incorrectly recognized in its third quarter financial statements an $899,607 increase to revenue, which resulted in an increase to net income of $609,034.[14]

<u>Books, Records, and Lack of Internal Controls</u>

22. Cabela's improperly recorded its intercompany accounts and transactions, cost of sales, WFB's revenue, various receivables and reserves, and tax obligations, and its books, records and accounts did not, in reasonable detail, accurately and fairly reflect its transactions and dispositions of assets.

23. Cabela's failed to implement internal accounting controls relating to its intercompany accounts and transactions; cost of sales; WFB's revenue; and various receivables, reserves, and tax obligations which were sufficient to provide reasonable assurances that transactions were recorded as necessary to permit the preparation of financial statements in accordance with GAAP.

<u>Violations by Cabela's</u>

24. As result of the conduct described above, Cabela's violated Section 13(a) of the Exchange Act and Rules 13a-1, 13a-13, and 12b-20 thereunder, which require every issuer of a security registered pursuant to Section 12 of the Exchange Act file with the Commission information, documents, and annual and quarterly reports as the Commission may require, and

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[12] ASC 330 requires that inventory be maintained at the lower of cost or market and that the methodology utilized in assessing impairments be applied consistently from year to year.

[13] ASC 250-10-20. <u>See</u> fn 11.

[14] ASC 250-10-S99 states "where there is little cost or delay involved in correcting a misstatement, failing to do so is unlikely to be 'reasonable.'"

mandate that periodic reports contain such further material information as may be necessary to make the required statements not misleading.

25. As a result of the conduct described above, Cabela's violated Section 13(b)(2)(A) of the Exchange Act, which requires reporting companies to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect their transactions and dispositions of their assets.

26. Lastly, as a result of the conduct described above, Cabela's violated Section 13(b)(2)(B) of the Exchange Act, which requires all reporting companies to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and to maintain accountability for assets.

Violations by Castner

27. As result of the conduct described above, Castner caused Cabela's violations of Section 13(a) of the Exchange Act and Rules 13a-1, 13a-13, and 12b-20 thereunder relating to the failure to eliminate the intercompany promotions fee in preparing its consolidated financial statements, which require every issuer of a security registered pursuant to Section 12 of the Exchange Act file with the Commission information, documents, and annual and quarterly reports as the Commission may require, and mandate that periodic reports contain such further material information as may be necessary to make the required statements not misleading.

28. As a result of the conduct described above, Castner caused Cabela's violations of Section 13(b)(2)(A) of the Exchange Act relating to the failure to eliminate the intercompany promotions fee in preparing its consolidated financial statements, which requires reporting companies to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect their transactions and dispositions of their assets.

29. Lastly, as a result of the conduct described above, Castner caused Cabela's violations of Section 13(b)(2)(B) of the Exchange Act relating to the failure to eliminate the intercompany promotions fee in preparing its consolidated financial statements, which requires all reporting companies to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and to maintain accountability for assets.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondents' Offers.

Accordingly, it is hereby ORDERED that**:**

A. Pursuant to Section 21C of the Exchange Act, Respondent Cabela's cease and desist from committing or causing any violations and any future violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13 thereunder.

B. Pursuant to Section 21C of the Exchange Act, Respondent Castner cease and desist from committing or causing any violations and any future violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13 thereunder.

C. Within 10 days of the entry of this Order:

(1) Respondent Cabela's shall pay a civil money penalty in the amount of $1,000,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717.

(2) Respondent Castner shall pay a civil money penalty in the amount of $50,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717.

D. Payments 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 either Cabela's or Castner 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 Thomas J. Krysa, Associate Regional Director, Division of Enforcement, Securities and Exchange Commission, 1961 Stout Street, Suite 1700, Denver, Colorado 80294-1961.

E. 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, Respondents agree that in any Related Investor Action, they shall not argue that they are entitled to, nor shall they benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondents' payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondents agree that they 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 either 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 Castner, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent Castner 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 Castner 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