

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 93766 / December 13, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20480

In the Matter of

**CREWS & ASSOCIATES,
INC.,**

Respondent.

**ORDER APPOINTING TAX
ADMINISTRATOR AND DIRECTING
PAYMENT OF CERTAIN FUNDS
RECEIVED BY THE COMMISSION**

ADMINISTRATIVE PROCEEDING
File No. 3-20481

In the Matter of

RUSH F. HARDING III,

Respondent.

On August 26, 2021, the Commission simultaneously instituted and settled two administrative and cease-and-desist proceedings (the “Orders”)¹ against Crews & Associates, Inc. (“Crews”) and Crews’ then-Chief Executive Officer, Rush F. Harding, III (“Harding”) (collectively, the “Respondents”). The proceedings arose out of unfair dealing by the Respondents in connection with a tender offer for municipal bonds that had been previously issued by The County Commission of Ohio County, West Virginia (the “County”). The

¹ See Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b), 15B(c) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist-Order against Crews, Exchange Act Rel. No. 92768 (Aug. 26, 2021), Admin. Proc. File No. 3-20480; and Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b), 15B(c) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist-Order against Harding, Exchange Act Rel. No. 92769 (Aug. 26, 2021), Admin. Proc. File No. 3-20481 (collectively, the “Orders”).

Commission found that Harding and Crews willfully violated Municipal Securities Rulemaking Board (“MSRB”) Rules G-17 and G-27; that Crews, by reason of those violations, violated Section 15B(c)(1) of the Securities Exchange Act of 1934 (the “Exchange Act”); and that Harding caused Crews to violate Section 15B(c)(1) of the Exchange Act.

As a result of these findings, the Commission ordered Crews to disgorge \$34,631, pay prejudgment interest of \$9,441, and to pay a civil money penalty of \$200,000 to the Commission, \$66,667 of which shall be transferred to the MSRB in accordance with Section 15B(c)(9)(A) of the Exchange Act (the “Crews MSRB Transfer”). The Commission further ordered Harding to disgorge \$36,524, pay prejudgment interest of \$9,957, and to pay a civil penalty of \$100,000, \$33,333 of which shall be transferred to the MSRB in accordance with Section 15B(c)(9)(A) of the Exchange Act (the “Harding MSRB Transfer”). The Commission established in each proceeding Fair Funds pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so that collected civil penalties could be distributed with collected disgorgement and prejudgment interest to the County, and ordered that the Fair Fund established in the Harding proceeding be added to the Fair Fund established in the Crews proceeding for distribution (the “Combined Fair Fund”).

The Respondents have paid \$390,553, as ordered.

The Combined Fair Fund constitutes a qualified settlement fund (“QSF”) under Section of 468B(g) of the Internal Revenue Code (IRC), 26 U.S.C. § 468B(g), and related regulations, 26 C.F.R. §§ 1.468B-1 through 1.468B-5. The appointment of a tax administrator to fulfill the tax obligations of the Combined Fair Fund is necessary. The appointment of Miller Kaplan Arase LLP (“Miller Kaplan”) is in accordance with the Omnibus Order Directing the Appointment of Tax Administrator in Administrative Proceedings that Establish Distribution Funds (the “Omnibus Order”).²

After completion of the Crews MSRB Transfer and the Harding MSRB Transfer, the Combined Fair Fund will have \$290,553, less a reserve for taxes and administrative expenses (the “Reserve”) available for distribution. Of this amount, \$202,400 will be distributed to the County as full compensation, plus reasonable interest of \$52,641, for the fees paid to Respondent Crews in connection with its retention by the County. After the distribution payment and all taxes and administrative expenses are paid, the Commission staff will transfer the remaining funds, if any, to the general fund of the United States Treasury subject to Section 21F(g)(3) of the Securities Exchange Act of 1934 (“Exchange Act”).

Accordingly, it is ORDERED that:

- A. Miller Kaplan, in accordance with the Omnibus Order, is appointed Tax Administrator for the QSF in the above referenced proceedings and shall work with the Commission staff to establish the Reserve.
- B. The Commission staff shall disburse \$255,041 to the County; and

² Exchange Act Rel. No. 85174 (Feb. 22, 2019).

- C. Any amounts remaining in the Combined Fair Fund after the payment of all taxes and administrative expenses and the disbursement set forth in B., and any amounts returned to the Fair Fund in the future, shall be transferred to the general fund of the United States Treasury subject to Section 21F(g)(3) of the Exchange Act.

By the Commission.

Vanessa A. Countryman
Secretary