

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 94627 / April 7, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-19597

In the Matter of	:	ORDER AUTHORIZING THE DISPOSITION
	:	OF FUNDS REMAINING IN THE
	:	DISTRIBUTION FUND AND ANY FUNDS
Bethany Liou and Golden	:	RETURNED TO THE DISTRIBUTION FUND
California Regional Center, LLC,	:	IN THE FUTURE, DISCHARGING THE
	:	FUND ADMINISTRATOR, CANCELLING
Respondents.	:	THE ADMINISTRATOR’S BOND, AND
	:	TERMINATING THE DISTRIBUTION FUND

On November 4, 2019, the Commission issued an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (the “Order”)¹ against Bethany Liou and Golden California Regional Center, LLC (collectively, the “Respondents”). According to the Order, beginning in July 2016, the Respondents offered securities under the Immigrant Investor Program (“EB-5 securities”) in the form of limited partnership interests in the GCRC Cupertino Fund (the “Cupertino Fund”), raising funds from at least 90 investors to partially finance the acquisition, development, and operation of a mixed-use residential, commercial, and hotel development in Cupertino, California (the “Cupertino-based project”). Each partnership unit cost \$500,000, plus up to \$55,000 for an administrative fee. In the Order, the Commission found that Liou never transferred the investment funds to the developer of the Cupertino-based project but rather, transferred investor funds to a bank account in her name, and later used investor funds as collateral for a line of credit unrelated to the Cupertino-based project. The Commission ordered the Respondents to pay, jointly and severally, \$50,295,232 in disgorgement and prejudgment interest to the Commission pursuant to a payment schedule, with the final payment due within three hundred sixty (360) days of the entry of the Order (the “Distribution Fund”).

The Respondents paid a total of \$48,340,835.64 pursuant to the Order, comprising the Distribution Fund. Accrued interest was added to the Distribution Fund.

On March 20, 2020, the Division of Enforcement, pursuant to delegated authority, issued an order appointing JND Legal Administration as the fund administrator of the Distribution Fund and set the administrator’s bond amount.²

¹ Securities Act Rel. No. 10725 (Nov. 4, 2019).

² Order Appointing Fund Administrator and Setting Administrator’s Bond Amount, Exchange Act Rel. No. 92097 (June 3, 2021).

On September 2, 2020, the Commission 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 (“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 Proposed Plan from the Commission’s public website or by submitting a written request to Catherine Pappas, United States Securities and Exchange Commission, One Penn Center, 1617 JFK Blvd., Ste. 520, Philadelphia, PA 19103. 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 four comments on the Proposed Plan during the comment period. On December 10, 2020, after consideration of concerning the comments received, the Commission issued an order approving the Proposed Plan without modification,⁵ and posted the approved Plan of Distribution (the “Plan”).

The Plan set forth a methodology for allocating the Distribution Fund, less taxes and administration fees and expenses, to investors who purchased limited partnership interests in the Cupertino Fund, and who suffered losses due to the Respondents’ conduct described in the Order.

As ordered by the Commission, the Fund Administrator distributed a total of \$48,373,956.25 from the Distribution Fund pursuant to the Plan.⁶ The Fund Administrator successfully distributed the entirety to the intended recipients, resulting in the compensation of all investors eligible for a distribution under the Plan for 97% of their losses.

The Distribution Fund earned \$262,660.20 in interest. To date, it has paid federal and local taxes of \$77,861.44, investment fees of \$1,390.27, \$48,315.00 to purchase a bond for 2020 through 2021, and \$6,886.82 in tax administration fees and expenses.

The Tax Administrator has submitted to the Commission a final invoice for its services in the amount of \$4,293.40. The Fund Administrator has submitted to the Commission staff invoices for all services rendered and expenses incurred, totaling \$90,792.66.

The Commission staff has reviewed the invoices and cost documentation, and confirmed that the services have been provided, the expenses incurred, and the charges reasonable. The Commission staff has requested, pursuant to paragraphs 6 and 7 of the Plan and in accordance with the Commission’s Rules, that the Commission authorize the Office of Financial Management (“OFM”) to pay Tax Administration fees and expenses of \$4,293.40 and Fund Administration fees and expenses of \$90,792.66. Once all outstanding invoices are paid, no funds will remain in the Distribution Fund.

³ Exchange Act Rel. No. 89755 (Sept. 2, 2020).

⁴ 17 C.F.R. § 201.1103.

⁵ See Order Approving Plan of Distribution, Exchange Act Rel. No. 90625 (Dec. 10, 2020).

⁶ Exchange Act Rel. No. 91815 (May 10, 2021).

The Fund Administrator has also submitted to the Commission a document reflecting unreimbursed bond premium costs incurred by the Fund Administrator, in the amount of \$4,721.17. The Commission staff has requested that the Commission authorize payment to the Fund Administrator up to \$4,721.17 from funds returned to the Distribution Fund in the future, if any.

The Plan provides that the Distribution Fund is eligible for termination and the Fund Administrator discharged after all of the following have occurred: (a) the final accounting has been submitted by the Fund Administrator for approval of, and has been approved by the Commission; (b) all taxes, fees, and expenses of the Fair Fund have been paid; and (c) any amount remaining in the Distribution Fund have been returned to Commission. It further provides that, upon Commission approval of the final accounting, the staff shall seek an order authorizing the disposition of the remaining residual amount and any amounts returned to the Distribution Fund in the future, terminating the Distribution Fund, discharging the Fund Administrator, and cancelling the Fund Administrator's bond.

The Commission staff has confirmed that the Fund Administrator has completed the distribution process in accordance with the Commission's orders; all taxes have been paid; that, with the entry of the proposed order, all fees and expenses will be paid; and that all monies remaining in the Distribution Fund have been received by the Commission. The Commission finds that the distribution is complete and that the payment of fees and expenses, the termination of the Distribution Fund, the discharge of the Fund Administrator, and the cancellation of the Fund Administrator's bond is appropriate.

The final accounting, which was submitted to the Commission for approval, as required by Rule 1105(f) of the Commission's Rules, 17 C.F.R. § 201.1105(f), and as set forth in the Plan, has been approved.

Accordingly, it is ORDERED that:

- A. OFM pay the Tax Administrator's fees and expenses of \$4,293.40 from the Distribution Fund;
- B. OFM pay the Fund Administrator's fees and expenses of \$90,792.66 from the Distribution Fund;
- C. OFM pay to the Fund Administrator unreimbursed bond premium costs up to the amount of \$4,721.17 from funds returned to the Distribution Fund in the future, if any;
- D. OFM shall transfer any future returned funds exceeding \$4,721.17, if any, to above to the general fund of the United States Treasury subject to Section 21F(g)(3) of the Securities Exchange Act of 1934, 15 U.S. Code § 78u-6(g)(3);
- E. The Fund Administrator, JND Legal Administration, is discharged;

F. The Fund Administrator's bond is canceled; and

G. The Distribution Fund is terminated.

By the Commission.

Vanessa A. Countryman
Secretary