

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 101610 / November 13, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21655

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In the Matter of	:	ORDER APPOINTING FUND
	:	ADMINISTRATOR, SETTING
Stoner Cats 2, LLC,	:	ADMINISTRATOR’S BOND AMOUNT,
	:	AND AUTHORIZING THE APPROVAL
Respondent.	:	AND PAYMENT OF FEES AND
_____	:	EXPENSES OF ADMINISTRATION

On September 13, 2023, 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 Stoner Cats 2, LLC (the “Respondent” or “Stoner Cats 2”). In the Order, the Commission found that, on July 27, 2021, Stoner Cats 2 conducted an unregistered offering of crypto asset securities in the form of non-fungible tokens called Stoner Cats NFTs. Stoner Cats offered and sold to the public, including US investors, 10,320 Stoner Cats NFTS for 0.35 ETH (approximately \$800) each. According to the Order, the offering sold out in 35 minutes and generated gross proceeds in ETH equal at the time to approximately \$8.2 million. According to the Order, Stoner Cats 2 was required to, but did not, register the offer and sale of Stoner Cats NFTs with the Commission, and no exemption from registration was available. The Commission found that thus Stoner Cats 2 violated Sections 5(a) and 5(c) of the Securities Act. The Commission ordered the Respondent to pay a

¹ Securities Act Rel. No. 11233 (Sept. 13, 2023).

\$1,000,000.00 civil money penalty to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty collected can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund consists of the \$1,000,000.00 collected from the Respondent. The Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any accrued interest will be added to the Fair Fund.

The Division of Enforcement (the “Division”) now seeks the appointment of Epiq Class Action and Claims Solutions, Inc. (“Epiq”) as the fund administrator and requests that the administrator’s bond be set at \$1,000,000.00. Epiq is included in the Commission’s approved pool of administrators.

The Division further requests that the Commission authorize the Office of Financial Management (“OFM”), at the direction of an Assistant Director of the Office of Distributions, to pay the Fund Administrator’s fees and expenses from the Fair Fund, so long as the total amount paid to the Fund Administrator, including the invoice to be paid, does not exceed the total amount of the approved cost proposal submitted by the Fund Administrator.

Accordingly, IT IS HEREBY ORDERED that:

- A. Epiq is appointed as the Fund Administrator, pursuant to Rule 1105(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);²
- B. Epiq shall obtain a bond in accordance with Rule 1105(c) of the Commission’s Rules,³ in the amount of \$1,000,000;

² 17 C.F.R. § 201.1105(a).

³ 17 C.F.R. § 201.1105(c).

- C. The Fund Administrator will submit invoices to the Commission staff for services rendered, in accordance with Rule 1105(d) of the Commission's Rules;⁴ and
- D. At the direction of an Assistant Director of the Office of Distributions, OFM is authorized to pay the Fund Administrator's fees and expenses from the Fair Fund, in accordance with Rule 1105(e) of the Commission's Rules,⁵ so long as the total amount paid to the Fund Administrator, including the invoice to be paid, does not exceed the total amount of the approved cost proposal submitted by the Fund Administrator.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁶

Vanessa A. Countryman
Secretary

⁴ 17 C.F.R. § 201.1105(d).

⁵ 17 C.F.R. § 201.1105(e).

⁶ 17 C.F.R. § 200.30-4(a)(17) and 17 C.F.R. § 200.30-4(a)(21)(vi).