

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 102257 / January 22, 2025

ADMINISTRATIVE PROCEEDING
File No. 3-22034

In the Matter of

**TENSQUARE, LLC AND
KARL JENTOFT,**

Respondents.

**ORDER APPOINTING TAX
ADMINISTRATOR AND DIRECTING
PAYMENT OF CERTAIN FUNDS
RECEIVED BY THE COMMISSION
AND TRANSFER OF REMAINING
FUNDS TO THE U.S. TREASURY**

On August 27, 2024, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15B and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the “Order”)¹ against Tensquare, LLC (“Tensquare”) and Karl Jentoft (“Jentoft”) (collectively, the “Respondents”). In the Order, the Commission found that from 2019 to 2022, Tensquare, through Jentoft, provided municipal advisory services in connection with eight municipal bond issuances for the benefit of eight charter schools in Minnesota. These services included providing advice to the charter schools on the structure, timing, and terms of the issuances. During this period, Tensquare was not registered as a municipal advisor. By conducting municipal advisory activities without registering with the Commission, Tensquare violated the registration requirements of Section 15B(a)(1)(B) of the Exchange Act, and Jentoft caused Tensquare’s violation. The Commission ordered Tensquare to pay \$51,716.00 in disgorgement, \$9,523.59 in prejudgment interest, and a \$50,000.00 in civil money penalty; and Jentoft was ordered to pay a \$40,000.00 civil money penalty, for a total of \$151,239.59, to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties collected, along with the disgorgement and interest collected, can be distributed to harmed investors (the “Fair Fund”).

The Respondents have paid \$151,239.59, as ordered, which comprises the Fair Fund. The Fair Fund minus a reserve for taxes and related administrative expenses (the “Reserve”) is available for distribution to the eight Minnesota charter schools affected by the Respondents’ conduct in connection with eight bond offerings described in the Order.

¹ Exchange Act Rel. No. 100820 (Aug. 27, 2024).

The 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 Fair Fund is necessary. The appointment of Heffler, Radetich & Saitta, LLP (“HRS”) is in accordance with the Omnibus Order Extending the Engagement of Two Tax Administrators for Appointment on a Case-By-Case Basis in Administrative Proceedings that Establish Distribution Funds (the “Omnibus Order”).²

Accordingly, it is ORDERED that:

- A. HRS, in accordance with the Omnibus Order, is appointed Tax Administrator for the QSF in the above-referenced proceeding and shall work with the Commission staff to establish the Reserve;
- B. After withholding the Reserve, the Commission staff shall disburse the remaining funds to the eight Minnesota charter schools described in the Order; and
- C. Any amounts remaining in the Fair Fund after completion of A and B above, that are infeasible to return to investors, and any amounts returned to the Fair Fund in the future that are infeasible to return to investors, shall be transferred to the general fund of the United States Treasury subject to Section 21F(g)(3) of the Exchange Act, and the Fair Fund shall be terminated after which no further disbursements will be made.

By the Commission.

Vanessa A. Countryman
Secretary

² Exchange Act Rel. No. 101986 (Dec. 19, 2024).