

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 102730 / March 25, 2025

ADMINISTRATIVE PROCEEDING
File No. 3-21836

In the Matter of

Claire P. Shaughnessy,

Respondent.

**NOTICE OF PROPOSED PLAN OF
DISTRIBUTION AND OPPORTUNITY
FOR COMMENT**

ADMINISTRATIVE PROCEEDING
File No. 3-21837

In the Matter of

**Aon Investments USA Inc., fka
Aon Hewitt Investment Consulting,
Inc.,**

Respondent.

Notice is hereby given, pursuant to Rule 1103 of the United States Securities and Exchange Commission's (the "Commission") Rules on Fair Fund and Disgorgement Plans (the "Commission's Rules"), 17 C.F.R. § 201.1103, that the Division of Enforcement has submitted to the Commission a proposed plan of distribution (the "Proposed Plan") for the distribution of monies paid in the above-captioned matters.

On January 25, 2024, the Commission issued two related Orders (collectively, the "Orders") against Claire P. Shaughnessy ("Shaughnessy")¹ and Aon Investments USA Inc, fka Aon Hewitt Investment Consulting, Inc. ("Aon").²

¹ Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 203(f) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order, Advisers Act Rel. No. 6535 (Jan. 25, 2024), (Admin. Proc. File No. 3-21836).

² Corrected Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order, Advisers Act Rel. No. 6536 (Jan. 25, 2024), (Admin. Proc. File No. 3-21837).

In the Orders, the Commission found that Aon's and Shaughnessy's conduct were inconsistent with their duties to their client, the Pennsylvania Public School Employees' Retirement System ("PSERS"), under the Investment Advisers Act of 1940 ("Advisers Act"). According to the Orders, from 2013 through 2023, Aon acted as an investment adviser for PSERS and provided certain investment advisory and investment consulting services to PSERS pursuant to a written agreement. From approximately July 2012 to December 2022, Shaughnessy was a partner and investment adviser representative associated with Aon, and was the lead partner on Aon's engagement with PSERS from 2013 until December 2022. The Commission found that, as set out in its agreement with PSERS, Aon was responsible for, among other things, calculating PSERS's investment returns, which were then used for calculating what is known as "risk share." Risk share is a provision in the Pennsylvania Pension Code that requires certain public school employees to contribute more to the retirement fund if certain annualized investment return targets, or "hurdles," are not met.

According to the Orders, as lead partner, Shaughnessy provided investment advisory services to PSERS and was in charge of Aon's calculation of PSERS's investment performance and the risk share return rate calculation. The Commission found that Aon and Shaughnessy engaged in conduct that was inconsistent with their duties to PSERS by failing to adequately investigate a discrepancy between the underlying performance data used by them to calculate the risk share return rate and the historically reported returns and by making material misstatements and omissions in communications to PSERS concerning the causes of the discrepancy and the extent to which they understood those causes. As a result of the conduct described herein, the Commission found that Aon and Shaughnessy both willfully violated Section 206(2) of the Advisers Act.

In their respective Orders, the Commission ordered Aon to pay disgorgement of \$495,098.50, prejudgment interest of \$47,089.29 and a civil penalty of \$1,000,000.00, and Shaughnessy to pay a civil penalty of \$30,000.00, to the Commission. In each of the Orders, the Commission also created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the funds collected can be distributed to harmed investors and ordered that the funds may be combined with any other distribution fund or fair fund arising out of the same facts that are the subject of the Orders.

In accordance with the Orders, the \$1,572,187.79 collected from Shaughnessy and Aon has been combined (collectively, the "Fair Fund") and deposited in a Commission-designated account at the U.S. Department of the Treasury. Any accrued interest will be added to the Fair Fund. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission.

OPPORTUNITY FOR COMMENT

Pursuant to this Notice, all interested persons are advised that they may obtain a copy of the Plan from the Commission's public website at <https://www.sec.gov/litigation/fairfundlist.htm>. Interested persons may also obtain a written copy of the Proposed Plan by submitting a written request to Keshia Ellis, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876. All

persons who desire to comment on the Proposed Plan may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090;
2. by using the Commission's Internet comment form (<https://www.sec.gov/litigation/admin.shtml>); or
3. by sending an e-mail to rule-comments@sec.gov.

Comments submitted by email or via the Commission's website should include "Administrative Proceeding File Nos. 3-21836 and 3-21837" in the subject line. Comments received will be publicly available. Persons should submit only information they wish to make publicly available.

THE PROPOSED PLAN

The Net Available Fair Fund³ is comprised of the \$1,572,187.79 in disgorgement, prejudgment interest, and civil money penalties collected pursuant to the Orders, plus any interest and income earned thereon, less taxes, fees, and expenses. The Proposed Plan provides for the distribution of the Net Available Fair Fund to an investor who was harmed, by the conduct described in the Orders, in connection with fees paid to Shaughnessy and Aon for certain investment advisory and investment consulting services.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁴

Vanessa A. Countryman
Secretary

³ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

⁴ 17 C.F.R. § 200.30-4(a)(21)(iii).