

⁴ 17 C.F.R. § 201.1103.

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 two comments on the Proposed Plan during the comment period.

On November 22, 2022, the Commission published a Notice of Amended Proposed Plan of Distribution and Opportunity for Comment (the “Notice of Amended Plan”)⁵ pursuant to Rule 1103 of the Commission’s Rules⁶ and simultaneously posted the Amended Proposed Plan of Distribution (the “Amended Proposed Plan”). The Commission received no comments on the Amended Proposed Plan during the comment period.

On January 23, 2023, the Division of Enforcement, pursuant to delegated authority, issued an Order Approving Amended Plan of Distribution,⁷ and simultaneously posted the approved Amended Plan of Distribution (the “Plan”). The Plan appointed Catherine Pappas as the Fund Administrator for the Fair Fund”). In accordance with Rule 1105(c) of the Rules, 17 C.F.R. § 201.1105(c), no bond was required since the Fund Administrator was a Commission employee. The Plan provided for the distribution of the Fair Fund, plus accumulated interest, less taxes, fees and expenses, to harmed investors. The Plan included a Plan of Allocation, which set forth a methodology for calculating the loss that investors suffered as a result of the misconduct described in the Order.

On August 2, 2023, the Commission issued an Order Directing Disbursement of the Fair Fund.⁸ The Fund Administrator distributed a total of \$744,695 from the Fair Fund pursuant to the Plan and resulted in eight harmed investors being fully compensated for their losses plus reasonable interest. The Fair Fund, initially \$1,750,000, earned a total of \$64,987.22 in interest. The Fair Fund paid state and federal taxes of \$22,930, investment/bank fees of \$61.91, and tax administration expenses of \$9,590.49. The Fair Fund currently holds \$1,037,709.82, which is comprised of accumulated interest and excess funds not needed to fully compensate investors.

Pursuant to the Plan, the Fair Fund is eligible for termination and the Fund Administrator for discharge after all of the following have occurred: (a) the final accounting has been submitted by the Fund Administrator for approval, and has been approved by the Commission; (b) all taxes, fees and expenses have been paid; and (c) any amount remaining in the Fair Fund has been returned to the Commission for transfer to the Treasury.

The Commission staff has confirmed that the Fund Administrator has completed the distribution process in accordance with the Commission’s orders, that all taxes, fees and expenses have been paid, and that all monies remaining in the Fair Fund have been returned to the Commission. 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.

⁵ Exchange Act Rel. No. 96379 (Nov. 22, 2022).

⁶ 17 C.F.R. § 201.1103.

⁷ Exchange Act Rel. No. 96738 (Jan. 23, 2023).

⁸ Exchange Act Rel. No. 98041 (Aug. 2, 2023).

Accordingly, it is ORDERED that:

- A. the remaining funds in the amount of \$1,037,709.82 that are infeasible to return to investors, and any funds returned to the Fair Fund in the future that are infeasible to return to investors, shall be transferred to the Treasury, subject to Section 21F(g)(3) of the Securities Exchange Act of 1934;
- B. the Fund Administrator, Catherine Pappas, is discharged; and
- C. the Fair Fund is terminated.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁹

Vanessa A. Countryman
Secretary

⁹ 17 C.F.R. § 200.30-4(a)(21)(vii).