

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 105048 / March 19, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-22259

In the Matter of	:	
	:	NOTICE OF PROPOSED PLAN OF
PHX Financial, Inc.,	:	DISTRIBUTION AND OPPORTUNITY
	:	FOR COMMENT
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 matter.

On October 16, 2024, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b) 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 PHX Financial, Inc. (“PHX” or the “Respondent”). In the Order, the Commission found that from January 2019, to October 2021 (the “Relevant Period”), a PHX registered representative (“Representative 1”) recommended a short-term, high-volume investment strategy to at least eight of PHX’s retail customers without a reasonable basis. According to the Order, as a result of the high volume of recommended transactions and their attendant commissions and fees, it would have been virtually impossible for these customers to achieve positive returns. The Commission found that while these customers each lost money in their PHX brokerage accounts during the Relevant Period, PHX and Representative 1 together made over \$400,000 in commissions and fees from those accounts. As a result of this conduct, the Commission found that PHX violated Section 15(b)(4)(E) of the Exchange Act and Exchange Act Rules 15l-1(a)(1) and 15l-1(a)(2)(ii) and (iv).

The Commission ordered the Respondent to pay \$142,995.19 in disgorgement, \$24,993.85 in prejudgment interest, and a \$180,000.00 civil money penalty, for a total of \$347,989.04, to the Commission. The Commission also created a Fair Fund, pursuant to Section

¹ Exchange Act Rel. No. 101361 (Oct. 16, 2024).

308(a) of the Sarbanes-Oxley Act of 2002, so the penalty collected, along with the disgorgement and prejudgment interest collected, can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund includes the \$347,989.04 collected from the Respondent. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any interest accrued will be added to the Fair Fund.

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 Allison J.P. Moon, 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 No. 3-22259” 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 Fund² is comprised of the \$347,989.04 in disgorgement, prejudgment interest, and civil money penalties collected from the Respondent, 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 investors who were harmed by the Respondent’s conduct described in the Order in connection with short-term, high-volume investment strategies

² All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

the Respondent recommended to certain retail clients from January 1, 2019, to October 31, 2021. For the Commission, by the Division of Enforcement, pursuant to delegated authority.³

Vanessa A. Countryman
Secretary

³ 17 C.F.R. § 200.30-4(a)(21)(iii).