

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 105459 / May 12, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-22259

In the Matter of	:	
	:	ORDER APPROVING
	:	PLAN OF DISTRIBUTION
PHX Financial, Inc.,	:	
	:	
Respondent.	:	
	:	

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. (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 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.

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

On March 19, 2026, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),² pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”),³ and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the Proposed Plan from the Commission’s public website or by submitting a written request to Allison J.P. Moon, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090. 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 no comments on the Proposed Plan during the comment period.

The Proposed Plan provides for the distribution of the Net Available Fair Fund⁴ to those who were harmed by the Respondent’s conduct described in the Order in connection with short-term, high-volume investment strategies the Respondent recommended to certain retail clients from January 1, 2019, to October 31, 2021.

The Division of Enforcement now requests that the Commission approve the Proposed Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104 of the Commission’s Rules,⁵ that the Proposed Plan is approved, and the approved Plan of Distribution shall be posted simultaneously with this order on the Commission’s website at www.sec.gov.

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

Vanessa A. Countryman
Secretary

² Exchange Act Rel. No. 105048 (Mar. 19, 2026).

³ 17 C.F.R. § 201.1103.

⁴ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

⁵ 17 C.F.R. § 201.1104.

⁶ 17 C.F.R. § 200.30-4(a)(21)(iv).