

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 105802 / June 29, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-21825

In the Matter of

Morgan Stanley & Co. LLC,

Respondent.

**ORDER DIRECTING DISBURSEMENT
OF FAIR FUND**

ADMINISTRATIVE PROCEEDING
File No. 3-21826

In the Matter of

Pawan Kumar Passi,

Respondent.

On February 26, 2025, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),¹ pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);² and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the

¹ Exchange Act Rel. No. 102488 (Feb. 26, 2025).

² 17 C.F.R. § 201.1103.

Proposed Plan from the Commission’s public website or by submitting a written request to Joshua Braunstein, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876. 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. On April 22, 2025, the Division of Enforcement, pursuant to delegated authority, issued an order approving Modified Plan of Distribution,³ and simultaneously posted an approved Modified Plan of Distribution. On August 27, 2025, the Division of Enforcement, pursuant to delegated authority, issued a second order approving Modified Plan of Distribution,⁴ and simultaneously posted the approved Modified Plan of Distribution.

The Plan provides for the distribution of the Fair Fund, plus accumulated interest, less taxes, fees, and expenses, to the harmed investors according to the methodology set forth in the Plan.

Pursuant to the Plan, the Third Party has compiled the payee information and prepared a payment file in a Commission-approved format. The Commission staff has reviewed and accepted the payment file and requests, pursuant to Rule 1101(b)(6) of the Commission’s Rules on Fair Fund and Disgorgement Plans,⁵ that the Commission authorize the transfer of \$119,825,301.06 from the Fair Fund to the Fair Fund’s escrow account at The Huntington National Bank, N.A. for distribution by the Third Party in accordance with the Plan.

³ See Order Approving Modified Plan of Distribution, Exchange Act Rel. No. 102915 (Apr. 22, 2025).

⁴ See Order Approving Modified Plan of Distribution, Exchange Act Rel. No. 103790 (Aug. 27, 2025).

⁵ 17 C.F.R. § 201.1101(b)(6).

Accordingly, it is hereby ORDERED that the Commission staff shall transfer \$119,825,301.06 from the Fair Fund to the Fair Fund's escrow account for a total distribution of \$119,825,301.06 in accordance with the Plan.

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

Vanessa A. Countryman
Secretary

⁶ 17 C.F.R. § 200.30-4(a)(21)(v).