UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 106982 / November 24, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-21008

In the Matter of	:	**ORDER AUTHORIZING THE TRANSFER TO THE U.S. DEPARTMENT OF THE TREASURY OF THE REMAINING FUNDS AND ANY FUNDS RETURNED TO THE FAIR FUND IN THE FUTURE AND TERMINATING THE FAIR FUND**
Kovack Advisors, Inc.	:	
Respondent.	:	

On August 26, 2022, the Commission issued an 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 (the "Order")[1] against Kovack Advisors, Inc. ("Kovack" or the "Respondent"). In the Order, the Commission found that Kovack, a registered investment adviser incorporated in Florida with its principal place of business in Fort Lauderdale, Florida, willfully violated Sections 206(2) and 206(4) of the Advisers Act, and Rule 206(4)-7 thereunder.

The Commission ordered the Respondent to pay $166,239 in disgorgement, $33,274 in prejudgment interest, and $700,000 in civil money penalties, for a total of $899,513. In the Order, the Commission established a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties, along with the disgorgement and prejudgment interest, could be distributed to harmed investors (the "Fair Fund").

Pursuant to the Order, the Respondent was responsible for administering the Fair Fund at their own expense pursuant to a calculation specified in the Order. A *de minimis* amount of $10.00 was applied to closed accounts so that closed accounts below the $10.00 level would not receive a distribution. A total of $15.64 was withheld from and not distributed to closed accounts below the *de minimis* level.

The Respondent distributed $899,497.36, of which $873,968.97 was successfully delivered to recipients, resulting in 798 payments successfully delivered to harmed investors. In total, 97.1% of the total funds were distributed to payees. Distribution payments ranged from $0.80 to $150,495.54. A total of $25,544.03 remains in the Fair Fund, representing interest

[1] Investment Advisors Act Rel. No. 6098 (Aug. 26, 2022).

earned, uncashed checks, returned funds, *de minimis* amounts, and other residual amounts (*e.g.*, amounts resulting from rounding).

The Order further requires the Respondent to provide a final accounting to the Commission staff for submission to the Commission for approval. Upon approval of the final accounting, all remaining amounts in the Fair Fund that are infeasible to return to investors, and any funds returned in the future that are infeasible to return to investors, are to be sent to the U.S. Department of the Treasury (the "Treasury"). The final accounting has been submitted to the Commission for approval, as required by the Order, and has been approved.

Accordingly, it is ORDERED that:

A. the remaining funds in the amount of $25,544.03 that is 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; and

B. the Fair Fund is terminated.

By the Commission.

Vanessa A. Countryman
Secretary