On October 18, 2007, the Commission issued an Order Instituting Cease and Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934 against PacketPort.com, Inc., Ronald Durando, Microphase Corp., Robert H. Jaffe, Gustave Dotoli, M. Christopher Agarwal, and Theodore Kunzog (collectively “Respondents”) for violating the registration, disclosure, and anti-touting provisions of the federal securities laws in this matter (Securities Act Rel. No. 8858). The Order provided for the payment of disgorgement in the amount of $150,000 by Ronald Durando, $700,000 by Microphase Corp., $125,000 by Robert H. Jaffe, and $100,000 by Gustave Dotoli, totaling $1,075,000. Respondents have paid $1,075,000 to the Commission comprising the Disgorgement Fund, which will be distributed to investors harmed by the Respondents’ conduct.

The Distribution Plan proposes Rust Consulting, Inc. (“Rust Consulting”) as the Fund Administrator, and sets forth, among other things, procedures for distributing funds from the Disgorgement Fund to investors; procedures for the administration of the Disgorgement Fund, including provisions for filing tax returns; and a proposed timeframe for the termination of the Disgorgement Fund.

Rule 1105(c) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. §201.1105(c), requires the administrator of a plan to post a bond. Specifically, Rule 1105(c) states, “If the administrator is not a Commission employee, the administrator shall be required to obtain a bond in the manner prescribed in 11 U.S.C. §322, in an amount to be
approved by the Commission.” In accordance with Rule 1105(c), Rust Consulting will obtain a bond in the amount of $1,075,000, the full amount ordered to be paid by Respondents.

The Division of Enforcement requests that the Commission appoint Rust Consulting as the Fund Administrator, and approve the Fund Administrator’s bond requirement.

Accordingly, pursuant to Rules 1105(a) and (c) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1105, IT IS HEREBY ORDERED that Rust Consulting is appointed as the Fund Administrator and that the bond requirement of the Fund Administrator is approved.

By the Commission.

Elizabeth M. Murphy
Secretary