

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 87854/ December 23, 2019**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19227**

---

**In the Matter of** :  
 :  
**Fieldstone Financial Management** :  
**Group, LLC and Kristofor R. Behn,** :  
 :  
**Respondents.** :

---

**NOTICE OF PROPOSED PLAN  
OF DISTRIBUTION AND  
OPPORTUNITY FOR  
COMMENT**

Notice is hereby given, pursuant to Rule 1103 of the United State Securities and Exchange Commission’s (“Commission”) Rules on Fair Fund and Disgorgement Plans (“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 “Plan”) for the distribution of monies paid in the above-captioned matter.

On July 1, 2019, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940, and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”)<sup>1</sup> against Fieldstone Financial Management Group, LLC and Kristofor R. Behn (collectively, the “Respondents”). The Commission ordered the Respondents to pay \$1,322,971 in disgorgement, prejudgment interest, and a civil money penalty 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, along with the disgorgement and interest, can be distributed to harmed investors (the “Fair Fund”).

As of August 31, 2019, the Respondents have paid a total of \$700,000, and pursuant to the Order, the remaining \$622,971 is due within 360 days of entry of the Order. The Fair Fund is currently deposited in an interest-bearing account at the United States Department of the Treasury’s Bureau of Fiscal Service (“BFS”).

The Fair Fund is subject to the continuing jurisdiction and control of the Commission and has been deposited at the United States Department of Treasury's Bureau of the Fiscal Service in an interest-bearing account.

---

<sup>1</sup> Securities Act Rel.No. 10655 (July 1, 2019).

## 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 <http://www.sec.gov/litigation/fairfundlist.htm>. Interested persons may also obtain a written copy of the Plan by submitting a written request to Noel Gittens, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876. All persons who desire to comment on the 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 (<http://www.sec.gov/litigation/admin.shtml>); or
3. by sending an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov).

Comments submitted by email or via the Commission's website should include "Administrative Proceeding File No. 3-19227" in the subject line. Comments received will be publicly available. Persons should submit only information they wish to make publicly available.

## THE PLAN

The Net Available Fair Fund<sup>2</sup> is comprised of the \$700,000 paid by the Respondents, along with any additional funds received pursuant to the Order, plus interest and income earned thereon, minus all taxes, fees, and other expenses of distributing the Net Available Fair Fund to investors who were harmed by the conduct described in the Order. Since the total Harm Amount incurred by the Eligible Investors exceeds the amount currently in the Net Available Fair Fund and pursuant to the payment schedule in the Order, and receipt of additional funds is anticipated, the Fund Administrator has determined to first, make a *pro-rata* distribution from the available funds, and then after receipt of any additional funds, conduct a second distribution to provide a total distribution amount up to each Eligible Investor's Harm Amount, plus reasonable interest. The distribution(s) will be made to those Eligible Investors who suffered harm as calculated by the methodology used in the plan of allocation in the Plan.

For the Commission, by its Secretary, pursuant to delegated authority.

Vanessa A. Countryman  
Secretary

---

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