

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 101112 / September 20, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-11578

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In the Matter of	:	ORDER DIRECTING SEVENTH
	:	DISBURSEMENT OF FAIR FUND
CIHC, INC., CONSECO SERVICES,	:	
LLC, and CONSECO EQUITY	:	
SALES, INC.,	:	
	:	
Respondents.	:	
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On January 19, 2010, the Secretary, pursuant to delegated authority, published an Amended 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 Proposed Plan from the Commission’s public website or by submitting a written request to George S. Canellos, Regional Director, United States Securities and Exchange Commission, 3 World Financial Center, Room 400, New York, NY 10281. 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 February 26, 2010, the Secretary, pursuant to delegated

¹ Exchange Act Rel. No. 61209A (Jan. 19, 2010).

² 17 C.F.R. § 201.1103.

authority, issued an Order Approving Plan, Appointing a Fund Administrator, and Waiving Bond. By issuing this Order, the Commission approved the Proposed Plan of Distribution (the “Distribution Plan” or the “Plan”).³

The Distribution Plan provides for the distribution of the Fair Fund, plus accumulated interest, less a reserve for taxes and any amounts determined to be payable upon appeal, to the harmed investors according to the methodology set forth in the Plan.

In accordance with six disbursement orders issued by the Commission (the “Disbursement Orders”), the Fund Administrator and the Independent Distribution Consultant (“IDC”) have distributed the Fair Fund to harmed investors in six tranches. Pursuant to the Disbursement Orders, the Fund Administrator and the IDC have disbursed a total of \$20,941,776.41.⁴

The Fair Fund has a balance of \$513,436.01, comprised of \$197,681.86 held in the Fair Fund’s escrow account at U.S. Bank, N.A., \$314,696.02 held in a Commission-designated account at the U.S. Department of the Treasury, \$450.00 in a distribution account at U.S. Bank, N.A. under the authority of the Fund Administrator, and \$8.13 in the Tax Administrator’s trust account.

The Fund Administrator and the IDC have submitted to the Commission staff a validated payment file, along with a reasonable assurances letter as to the completeness and accuracy of the information contained therein for the seventh disbursement of the Fair Fund. The Fund Administrator and the IDC propose the transfer of \$302,500 from the Fair Fund to the Fair

³ See Exchange Act Rel. No. 61601 (Feb. 26, 2010).

⁴ In the first round, \$4,263,506.27, in the second round, \$2,864,027.70, in the third round, \$2,524,880.83, in the fourth round, \$903,956.39, in the fifth round, \$5,140,771.95, and in the sixth round, \$5,244,633.76, was distributed in accordance with the Distribution Plan. See Exchange Act Release Nos. 72999 (Sept. 4, 2014), 74522 (Mar. 17, 2015), 78370 (July 20, 2016), 80452 (Apr. 13, 2017), 82118 (Nov. 20, 2017), and 87523 (Nov. 13, 2019), respectively.

Fund's escrow account at U.S. Bank, N.A. and a total distribution, pursuant to 6.7.4 of the Plan, of \$500,000.00 to 10,000 eligible claimants who were excluded from prior distributions because their calculated distribution payments fell below the Plan's *de minimis* amount of \$50.00.

The Commission staff has reviewed and accepted the validated payment file and requests, pursuant to Rule 1101(b)(6) of the Commission's Rules,⁵ that the Commission authorize the transfer of \$302,500.00 from the Fair Fund to the Fair Fund's escrow account at U.S. Bank, N.A. for distribution by the Fund Administrator to harmed investors in accordance with the Plan.

Accordingly, it is hereby ORDERED, that Commission staff shall transfer \$302,500.00 from the Fair Fund to the Fair Fund's escrow account at U.S. Bank, N.A. for distribution in accordance with the Plan.

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

Vanessa A. Countryman
Secretary

⁵ 17 C.F.R. § 201.1101(b)(6).

⁶ 17 C.F.R. § 200.30-4(a)(21)(v).