UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 101216 / September 30, 2024

INVESTMENT ADVISERS ACT OF 1940
Release No. 6738 / September 30, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-22220

In the Matter of **G.A. Repple & Company,** **Respondent.**	**ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS, PURSUANT TO SECTION 15(b) OF THE SECURITIES EXCHANGE ACT OF 1934 AND 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**

I.

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") against G.A. Repple & Company ("G.A. Repple" or "Respondent").

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and 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 ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds[1] that:

Summary

1. Between January 2015 and the present (the "Relevant Period"), G.A. Repple, a dually-registered investment adviser and broker-dealer, breached its fiduciary duty to clients in connection with its receipt of third-party compensation based on advisory client investments. In particular, during the Relevant Period, G.A. Repple recommended or invested advisory client assets in (1) mutual fund share classes that paid fees pursuant to Rule 12b-1 under the Investment Company Act of 1940 ("12b-1 fees"), which G.A. Repple received; (2) money market mutual funds held in cash sweep accounts for which G.A. Repple received revenue sharing payments from its unaffiliated clearing broker (the "Clearing Broker"); and (3) no-transaction fee ("NTF") mutual fund investments for which G.A. Repple received revenue sharing payments. For at least a portion of the Relevant Period, G.A. Repple failed to provide full and fair disclosure regarding its share class selection practices and conflicts of interest associated with its receipt of the foregoing payments. With respect to the 12b-1 fees, G.A. Repple, although eligible to do so, did not self-report to the Commission pursuant to the Division of Enforcement's Share Class Selection Disclosure Initiative.[2]

2. Further, G.A. Repple breached its duty of care, including the duty to seek best execution by causing advisory clients to invest in share classes of mutual funds and money market funds when share classes of the same funds were available to clients that presented a more favorable value for these clients under the particular circumstances in place at the time of the transactions, and by failing to undertake an analysis to determine whether the particular mutual fund and money market fund share classes it recommended were in the best interests of its advisory clients. Finally, G.A. Repple failed to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with its practices concerning mutual fund and money market fund share class selection practices, cash sweep revenue sharing, and NTF revenue sharing. As a result of the conduct described above, G.A. Repple willfully violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

Respondent

3. Respondent G.A. Repple & Company, a Florida corporation headquartered in Casselberry, Florida, has been registered with the Commission as an investment adviser since 2004 and as a broker-dealer since 1986. In its Form ADV dated March 29, 2024, G.A. Repple reported that it had approximately $612 million in regulatory assets under management.

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[1] The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

[2] *See* Div. of Enforcement, U.S. Sec. & Exch. Comm'n, Share Class Selection Disclosure Initiative, https://www.sec.gov/enforce/announcement/scsd-initiative (last modified May 1, 2018).

Background

4. G.A. Repple provides investment advisory services primarily to individuals. G.A. Repple offers investment advisory services to clients on both a non-discretionary and discretionary basis and also provides financial planning services.

5. As an investment adviser, G.A. Repple was obligated to disclose all material facts to its advisory clients, including any conflicts of interest between it and its clients, which could affect the advisory relationship. G.A. Repple was also obligated to disclose all material facts relating to how those conflicts could affect the investment advice G.A. Repple and/or its associated persons provided its clients. To meet this fiduciary obligation, G.A. Repple was required to provide its advisory clients with full and fair disclosure that was sufficiently specific so that clients could understand the conflicts of interest concerning G.A. Repple's investment advice and have an informed basis on which they could consent to or reject the conflicts.

Mutual Fund Share Class Selection and 12b-1 Fees

6. Mutual funds typically offer investors different types of shares or "share classes." Each share class represents an interest in the same portfolio of securities with the same investment objective. The primary difference among the share classes is the fee structure.

7. For example, some mutual fund share classes charge 12b-1 fees to cover certain costs of fund distribution and sometimes shareholder services. These recurring fees, which are included in a mutual fund's total annual fund operating expenses, vary by share class, but typically range from 25 to 100 basis points. They are deducted from the mutual fund's assets on an ongoing basis and paid to the fund's distributor or principal underwriter, which generally remits the 12b-1 fees to the broker-dealer, such as G.A. Repple, that distributed or sold the shares.

8. Many mutual funds also offer share classes that do not charge 12b-1 fees (*e.g.*, "Institutional Class" or "Class I" shares (collectively, "Class I shares")).[3] An investor who holds Class I shares of a mutual fund will usually pay lower total annual fund operating expenses over time – and thus will generally earn higher returns – than one who holds a share class of the same fund that charges 12b-1 fees. Therefore, if a mutual fund offers a Class I share, and an investor is eligible to own it, it is often, though not always, better for the investor to purchase or hold the Class I share.

9. During the Relevant Period, G.A. Repple recommended, bought, or held mutual fund share classes that charged 12b-1 fees when lower-cost share classes of those same funds were available to those clients. As a result, G.A. Repple received 12b-1 fees that it would not have collected had its advisory clients been invested in the available lower-cost share classes. In July 2019, G.A. Repple began rebating most 12b-1 fees to clients on a going-forward basis.

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[3] Share classes that do not charge 12b-1 fees also go by a variety of other names in the mutual fund industry, such as "Class F2," "Class Y" and "Class Z" shares. As used in this Order, the term "Class I shares" refers generically to share classes that do not charge 12b-1 fees.

Revenue Sharing from Cash Sweep Money Market Funds

10. During the Relevant Period, G.A. Repple selected or recommended that clients choose certain money market funds to hold uninvested cash in sweep accounts. A sweep account is a money market mutual fund or bank account used by brokerages to hold uninvested cash (*e.g.*, incoming cash deposits, dividends, or certain investment returns) until the investor or its adviser decides how to invest the money. A money market fund is a type of mutual fund registered under the Investment Company Act of 1940 and regulated pursuant to Rule 2a-7 under that Act. Money market funds generally invest in short term, highly liquid securities with limited credit risk, and are frequently used as cash sweep account options. The investment yields and expense ratio of a money market fund will differ from fund to fund, but as with other mutual funds, money market funds may offer investors different share classes that represent an interest in the same portfolio of securities, with the same investment objective, but different fee structures.

11. The Clearing Broker with which G.A. Repple contracted to provide securities transaction clearing services for client accounts agreed to a revenue sharing arrangement with G.A. Repple based on customer assets invested in two of the three available share classes of certain cash sweep money market funds ("Capital Reserves" and "Daily Money"). A third share class ("Retail") of the same money market funds was also available, but the Clearing Broker did not pay G.A. Repple any revenue sharing for assets invested in the Retail class.

12. The three cash sweep money market fund share classes had three different annual expense ratios. For example, in 2019, the Capital Reserves class of one of the cash sweep money market funds was the most expensive available share class, with an annual expense ratio of 0.95%, followed by Daily Money, with an annual expense ratio of 0.70%, and then Retail, with an annual expense ratio of 0.42%.

13. G.A. Repple's agreement with the Clearing Broker provided for the Clearing Broker to share with G.A. Repple a portion of the revenue the Clearing Broker earned (if any) on certain money market fund investments. G.A. Repple has received revenue sharing payments pursuant to that provision since at least September 2016.

14. Pursuant to its agreement with the Clearing Broker, G.A. Repple received more revenue sharing when its clients invested in the Capital Reserves class than when its clients invested in the Daily Money class. G.A. Repple received no revenue sharing when its clients invested in the Retail class. Thus, G.A. Repple had an incentive to select or recommend the Capital Reserves share class for clients, which had higher expenses and thus provided clients the lowest potential net performance, and in fact, G.A. Repple predominantly recommended and placed clients in the Capital Reserves class.

15. During the Relevant Period, G.A. Repple received cash sweep revenue sharing payments for client assets invested in the Capital Reserves and Daily Money share classes. In July 2019, G.A. Repple began rebating most cash sweep revenue sharing payments to clients on a going-forward basis.

No Transaction Fee Program Revenue Sharing

16. During the Relevant Period, G.A. Repple's Clearing Broker offered an NTF program for which it did not charge mutual fund investors a transaction fee for the purchase or sale of mutual funds. The Clearing Broker generally charged fund families a higher recurring fee for a mutual fund share class to be part of the NTF program as compared to being sold outside of that program. As a result, mutual fund share classes sold through the NTF program generally had higher annual expense ratios than mutual fund share classes sold outside that program, including (in many instances) lower-cost share classes of the same funds.

17. Under G.A. Repple's agreement with the Clearing Broker, the Clearing Broker agreed to share with G.A. Repple a portion of the revenue the Clearing Broker received from mutual fund investments that were part of its NTF program, pursuant to certain criteria outlined in the clearing agreement. The payments G.A. Repple received under the agreement created a financial incentive for G.A. Repple to make recommendations that would lead to its receipt of revenue sharing payments.

18. During the Relevant Period, G.A. Repple selected for clients or advised clients to purchase or hold mutual fund shares in higher-cost share classes in the NTF program when share classes of the same funds with lower annual expense ratios were available outside the NTF program.

Disclosure Failures

19. From at least January 2015 to March 2018, G.A. Repple did not adequately disclose all material facts regarding its share class selection practices and the conflicts of interest that arose when it recommended or invested advisory client assets in a share class that would generate 12b-1 fees or revenue sharing while share classes of the same funds were available that did not pay or paid less 12b-1 fees and revenue sharing.

20. In February 2015, G.A. Repple's Form ADV stated:

> In addition to investment advisory fees, IARs, as registered representatives of G.A. Repple, may receive compensation in the form of 12b-1 fees from the sale of mutual fund products to clients of the Advisor. This compensation is in consideration for various services that G.A. Repple and their associated persons provide to clients such as presenting information regarding the funds and providing continuing customer service to clients. Payment of these fees is included in the expense ratios of the mutual funds and is disclosed in the funds' prospectus. IARs may have a greater incentive to recommend certain funds or fund families with 12b-1 fees or funds with higher 12b-1fees over other funds or fund families with no or lower 12b-1 fees.

21. In March 2018, G.A. Repple amended its Form ADV Part 2A concerning 12b-1 fees to state:

> In addition to investment advisory fees, the Advisor and its IARs receive compensation in the form of 12b-1 fees from the sale of certain mutual fund or annuity share classes to clients of the Advisor. This compensation is in consideration for various services that G.A. Repple and its associated persons provide to clients such as presenting information regarding the funds and providing continuing customer service to clients. Payment of these fees is included in the expense ratios of the mutual funds or annuities and is disclosed in the investment's prospectus. Receipt of these fees offers an incentive to IARs to recommend those share classes or fund families paying 12b-1 fees over those who do not pay 12b-1 fees or over those who have lesser 12b-1 fees. Because a client's return is reduced by the 12b-1 fee for the selected share class, it is generally better for a client to select a share class within a fund that has a lower 12b-1 fee.

G.A. Repple identified the updated disclosure as a "material change."

22. From at least January 2015 to March 2024, G.A. Repple did not disclose its receipt of revenue sharing from cash sweep products that G.A. Repple had selected for or recommended to its clients, or otherwise put clients on notice regarding the conflicts of interest inherent in this arrangement. In March 2024, G.A. Repple updated its Form ADV Part 2A to include a description of cash sweep options available to clients, G.A. Repple's right to receive revenue sharing payments for certain money market cash sweep vehicles, and conflicts of interest resulting from that arrangement.

23. During the Relevant Period, G.A. Repple did not disclose its practice of regularly recommending, purchasing, and holding NTF share classes that offered revenue sharing even when lower-cost share classes of the same funds were available to clients or otherwise put clients on notice regarding the conflicts of interest inherent in this arrangement.

Duty of Care Failures

24. An investment adviser's fiduciary duty includes, among other things, a duty of care. To fulfill this obligation, an adviser, among other things, must provide investment advice in the best interests of its client based on the client's objectives and seek best execution for client transactions.[4]

25. G.A. Repple violated its duty to seek best execution for those transactions by causing certain advisory clients to invest in share classes of mutual funds and money market funds that were overall more expensive for the clients when share classes of the same funds were available to the clients that presented a more favorable value under the particular circumstances in place at the time of the transactions.

[4] *See, e.g.*, Interpretive Release Concerning the Scope of Section 28(e) of the Exchange Act and Related Matters, Exchange Act Rel. No. 23170 (Apr. 28, 1986).

26. G.A. Repple also failed to undertake an analysis to determine whether the particular mutual fund and money market fund share classes it selected or recommended were in the best interests of its advisory clients.

Compliance Deficiencies

27. During the Relevant Period, G.A. Repple failed to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with its mutual fund share class selection practices, including with respect to selecting or recommending mutual fund share classes that were in the best interests of its advisory clients and disclosure of cash sweep and NTF revenue sharing payments and the resulting conflicts of interest.

Violations

28. As a result of the conduct described above, G.A. Repple willfully[5] violated Section 206(2) of the Advisers Act, which prohibits an investment adviser, directly or indirectly, from engaging "in any transaction, practice or course of business which operates as a fraud or deceit upon any client or prospective client." Scienter is not required to establish a violation of Section 206(2), but rather a violation may rest on a finding of negligence. *SEC v. Steadman*, 967 F.2d 636, 643 n.5 (D.C. Cir. 1992) (citing *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180,194-95 (1963)).

29. As a result of the conduct described above, G.A. Repple willfully violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder, which require a registered investment adviser to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder.

Disgorgement

30. The disgorgement and prejudgment interest ordered in Section IV.C. is consistent with equitable principles and does not exceed Respondent's net profits from its violations, and will be distributed to harmed investors to the extent feasible. Upon approval of the distribution final accounting by the Commission, any amounts remaining that are infeasible to return to investors, and any amounts returned to the Commission in the future that are infeasible to return to investors,

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[5] "Willfully," for purposes of imposing relief under Section 15(b) of the Exchange Act and Section 203(e) of the Advisers Act, "'means no more than that the person charged with the duty knows what he is doing.'" *Wonsover v. SEC*, 205 F.3d 408, 414 (D.C. Cir. 2000) (quoting *Hughes v. SEC*, 174 F.2d 969, 977 (D.C. Cir. 1949)). There is no requirement that the actor "also be aware that he is violating one of the Rules or Acts." *Tager v. SEC*, 344 F.2d 5, 8 (2d Cir. 1965). The decision in *The Robare Group, Ltd. v. SEC*, which construed the term "willfully" for purposes of a differently structured statutory provision, does not alter that standard. 922 F.3d 468, 478-79 (D.C. Cir. 2019) (setting forth the showing required to establish that a person has "willfully omit[ed]" material information from a required disclosure in violation of Section 207 of the Advisers Act).

may be transferred to the general fund of the United States Treasury, subject to Section 21F(g)(3) of the Exchange Act.

Undertakings

31. Respondent G.A. Repple has undertaken to:

a. Within 30 days of the entry of this Order, review and correct as necessary all relevant disclosure documents of G.A. Repple concerning mutual fund share class selection, NTF revenue sharing, and cash sweep revenue sharing.

b. Within 30 days of the entry of this Order, evaluate whether existing client assets should be moved to a lower-cost share class, mutual funds that do not result in G.A. Repple receiving NTF revenue, or alternative cash sweep products, and move client assets as necessary.

c. Within 30 days of the entry of this Order, evaluate, update (if necessary), and review for the effectiveness of their implementation, G.A. Repple's policies and procedures so that they are reasonably designed to prevent violations of the Advisers Act in connection with mutual fund share class selection, NTF revenue sharing, and cash sweep revenue sharing.

d. Within 30 days of the entry of this Order, notify affected investors (*i.e.*, those former and current clients who were financially harmed during the Relevant Period by the practices detailed above (hereinafter, "affected investors")) of the settlement terms of this Order by sending a copy of this Order to each affected investor via mail, email, or such other method not unacceptable to the Commission staff, together with a cover letter in a form not unacceptable to the Commission staff.

e. Within 40 days of the entry of this Order, certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and G.A. Repple agrees to provide such evidence. The certification and supporting material shall be submitted to Stephen E. Donahue, Assistant Regional Director, Atlanta Regional Office, Securities and Exchange Commission, 950 East Paces Ferry Road N.E., Suite 900, Atlanta, GA 30326, or such other address as the Commission staff may provide, with a copy to the Office of Chief Counsel of the Division of Enforcement, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

f. For good cause shown, the Commission staff may extend any of the procedural dates relating to these undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered the last day.

IV.

In view of the foregoing, the Commission deems it appropriate, and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, pursuant to Section 15(b) of the Exchange Act and Sections 203(e) and 203(k) of the Advisers Act, it is hereby ORDERED that:

A. Respondent cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

B. Respondent is censured.

C. Respondent shall pay disgorgement, prejudgment interest, and a civil penalty, totaling $549,689 as follows:

(i) Respondent shall pay disgorgement of $356,265 and prejudgment interest of $80,424 consistent with the provisions of this Subsection C.

(ii) Respondent shall pay a civil money penalty in the amount of $113,000 consistent with the provisions of this Subsection C.

(iii) Pursuant to Section 308 of the Sarbanes-Oxley Act of 2002, as amended, a Fair Fund is created for the penalty, disgorgement, and prejudgment interest described above for distribution to affected investors. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

(iv) Within 10 days of the entry of this Order, Respondent shall deposit the disgorgement, prejudgment interest, and civil penalty (collectively, the "Fair Fund") into an escrow account at a financial institution not unacceptable to the Commission staff and Respondent shall provide the Commission staff with evidence of such deposit in a form acceptable to the Commission staff. The account holding the assets of the Fair Fund shall bear the name and the taxpayer identification number of the Fair Fund. If timely deposit into the escrow account is not made, additional interest shall accrue pursuant to Commission Rule of Practice 600 [17 C.F.R. § 201.600] and/or 31 U.S.C. § 3717.

(v) Respondent shall be responsible for administering the Fair Fund and may hire a professional to assist it in the administration of the distribution. The costs and expenses of administering the Fair Fund, including any such professional services, shall be borne by Respondent and shall not be paid out of the Fair Fund.

(vi) Respondent shall distribute from the Fair Fund to each affected investor an amount representing financial harm during the Relevant Period by the practices discussed above, and, if funds are available, reasonable interest on such amounts, pursuant to a disbursement calculation (the "Calculation") that will be submitted to, reviewed, and approved by the Commission staff in accordance with this Subsection C. The Calculation shall be subject to a *de minimis* threshold. No portion of the Fair Fund shall be paid to any affected investor account in which Respondent, or any of its current or former officers, directors, investment adviser representatives, or associated persons (or any of their spouses or children) have a financial interest.

(vii) Respondent shall, within 90 days of the entry of the Order, submit a Calculation to the Commission staff for review and approval. At or around the time of submission of the proposed Calculation to the staff, Respondent shall make itself available, and shall require any third-parties or professionals retained by Respondent to assist in formulating the methodology for its Calculation and/or administration of the distribution to be available for a conference call with the Commission staff to explain the methodology used in preparing the proposed Calculation and its implementation, and to provide the staff with an opportunity to ask questions. Respondent shall also provide the Commission staff such additional information and supporting documentation as the Commission staff may request for the purpose of its review. In the event of one or more objections by the Commission staff to Respondent's proposed Calculation or any of its information or supporting documentation, Respondent shall submit a revised Calculation for review and approval of the Commission staff or additional information or supporting documentation within 10 days of the date that the Commission staff notifies Respondent of the objection. The revised Calculation shall be subject to all of the provisions of this Subsection C.

(viii) Respondent shall, within 30 days of the written approval of the Calculation by the Commission staff, submit a payment file (the "Payment File") for review and acceptance by the Commission staff demonstrating the application of the methodology to each affected investor. The Payment File should identify, at a minimum: (1) the name of each affected investor; (2) tax withholding; (3) reasonable interest paid; (4) the amount of any *de minimis* threshold to be applied; and (5) the exact amount of the payment to be made from the Fair Fund to the affected investor (net tax withholding).

(ix) Respondent shall complete the disbursement of all amounts payable to affected investors within 90 days of the date the Commission staff accepts the Payment File unless such time period is extended as provided in Paragraph (xiii) of this Subsection C. Respondent shall notify the Commission staff of the date(s) and the amount paid for each distribution.

(x) If Respondent is unable to distribute any portion of the Fair Fund for any reason, including an inability to locate an affected investor or a beneficial owner of an affected investor or any factors beyond Respondent's control, Respondent shall transfer any such undistributed funds to the Commission for transmittal to the United States Treasury in accordance with Section 21F(g)(3) of the Exchange Act when the distribution of funds is complete and before the final accounting provided for in Paragraph (xii) of this Subsection C is submitted to the Commission staff. Payment must be made in one of the following ways:

(a) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

(b) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at http://www.sec.gov/about/offices/ofm.htm; or

(c) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying G.A. Repple & Company as a Respondent in these proceedings, and

the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Stephen E. Donahue, Assistant Regional Director, Atlanta Regional Office, Securities and Exchange Commission, 950 East Paces Ferry Road N.E., Suite 900, Atlanta, GA 30326, or such other address as the Commission staff may provide.

(xi) A Fair Fund is a Qualified Settlement Fund ("QSF") under Section 468B(g) of the Internal Revenue Code ("IRC"), 26 U.S.C. §§ 1.468B.1-1.468B.5. Respondent shall be responsible for all tax compliance responsibilities associated with the Fair Fund, including but not limited to tax obligations resulting from the Fair Fund's status as a QSF. These responsibilities involve reporting and paying requirements of the Fair Fund, including but not limited to: (1) tax returns for the Fair Fund; (2) information return reporting regarding the payments to investors, as required by applicable codes and regulations; and (3) obligations resulting from compliance with the Foreign Account Tax Compliance Act (FATCA). Respondent may retain any professional services necessary. The costs and expenses of tax compliance, including any such professional services, shall be borne by Respondent and shall not be paid out of the Fair Fund.

(xii) Within 150 days after Respondent completes the disbursement of all amounts payable to affected investors, Respondent shall return all undisbursed funds to the Commission pursuant to the instructions set forth in this Subsection C. Respondent shall then submit to the Commission staff a final accounting and certification of the disposition of the Fair Fund for Commission approval. The final accounting shall be in a format to be provided by the Commission staff. The final accounting and certification shall include: (1) the amount paid to each affected investor, with the reasonable interest amount and withholding amount, if any, each reported separately; (2) the date of each payment; (3) the check number or other identifier of the money transferred to each affected investor; (4) the amount of any returned payment and the date received; (5) a description of any effort to locate or the reason for nonpayment of an affected investor whose payment was returned or to whom payment was not made for any reason; (6) the total amount, if any, to be forwarded to the Commission for transfer to the United States Treasury; and (7) an affirmation that Respondent has made payments from the Fair Fund to affected investors in accordance with the Calculation approved by the Commission staff. Respondent shall submit the final accounting and certification under a cover letter that identifies G.A. Repple & Company as the Respondent in these proceedings and the file number of these proceedings to Stephen E. Donahue, Assistant Regional Director, Atlanta Regional Office, Securities and Exchange Commission, 950 East Paces Ferry Road N.E., Suite 900, Atlanta, GA 30326, or such other address as the Commission staff may provide. Respondent shall provide any and all supporting documentation for the accounting and certification to the Commission staff upon its request, and Respondent shall cooperate with any additional requests by the Commission staff in connection with the accounting and certification.

(xiii) The Commission staff may extend any of the procedural dates set forth in this Subsection C for good cause shown. Deadlines for dates relating to the Fair Fund shall be counted in calendar days, except if the last day falls on a weekend or federal holiday, the next business day shall be considered the last day.

D. Respondent shall comply with the undertakings enumerated in Section III, paragraphs 31.a through 31.e above.

By the Commission.

Vanessa A. Countryman
Secretary