

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 79427 / November 29, 2016**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16652**

**In the Matter of**

**MICHAEL S. WILSON, CPA and**  
**COTTERMAN-WILSON, CPAs, INC.**

**Respondents.**

**ORDER APPROVING PLAN OF**  
**DISTRIBUTION AND DIRECTING**  
**DISBURSEMENT OF FAIR FUNDS**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16892**

**In the Matter of**

**JAMES T. BUDDEN AND**  
**ALEXANDER W. BUDDEN,**

**Respondents.**

On June 25, 2015, the Securities and Exchange Commission (“Commission”) issued an Order Instituting Public Administrative and Cease-and-Desist Proceedings Pursuant to Section 4C of the Securities Exchange Act of 1934, Section 203(k) of the Investment Advisers Act of 1940, and Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Accounting Firm Order”)<sup>1</sup> against Michael S. Wilson,

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<sup>1</sup> Exchange Act Rel. No. 75298 (June 25, 2015) (Administrative Proceeding File No. 3-16652).

CPA (“Wilson”) and Cotterman-Wilson CPAs, Inc., a Columbus, Ohio based accounting firm (“Cotterman-Wilson”) (collectively, “Accounting Firm Respondents”).

The Accounting Firm Respondents consented, without admitting or denying the findings, to findings that they caused Professional Investment Management, Inc.’s (“PIM”) violations of Section 206(4) of the Investment Advisers Act of 1940 (“Advisers Act”) and Rule 206(4)-2 thereunder in 2009, 2010, and 2011, and engaged in improper professional conduct within the meaning of Section 4C(a)(2) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 102(e)(1)(ii), of the Commission’s Rules of Practice.

Wilson was ordered to pay a \$50,000 civil money penalty and Cotterman-Wilson was ordered to pay a \$25,000 civil money penalty, \$10,868 in disgorgement, and \$1,029 in prejudgment interest. The Accounting Firm Order created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 (“Sarbanes-Oxley Act”), as amended, for the disgorgement, interest, and penalties paid by the Accounting Firm Respondents.

On October 13, 2015, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(f) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“PIM Owner Order”)<sup>2</sup> against James T. Budden and Alexander W. Budden (collectively, “PIM Owner Respondents”).

The PIM Owner Respondents consented, without admitting or denying the findings, to a finding that they failed reasonably to supervise Douglas E. Cowgill (“Cowgill”) within the meaning of Section 203(e)(6) of the Advisers Act with a view to preventing and detecting Cowgill’s violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and Sections 203(a), 204(a), 206(1), 206(2), 206(4), and 207 of the Advisers Act and Rules 204-2, 206(4)-2,

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<sup>2</sup> Advisers Act Rel. No. 4225 (Oct.13, 2015) (Administrative Proceeding File No. 3-16892).

and 206(4)-7 thereunder; and caused PIM's violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. James T. Budden also consented, without admitting or denying the allegations, to a finding that he caused PIM to violate Section 206(4) of the Advisers Act and Rule 206(4)-2 thereunder.

James T. Budden was ordered to pay a \$125,000 civil money penalty and Alexander W. Budden was ordered to pay a \$75,000 civil money penalty. The PIM Owner Order created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act, as amended, for the penalties paid by the PIM Owner Respondents.

Pursuant to the Accounting Firm Order and the PIM Owner Order, the Accounting Firm Respondents and PIM Owner Respondents (collectively, the "Respondents") paid the sums as ordered by the Commission and the collective total of the two Fair Funds is \$286,897, which is currently on deposit with the United States Department of Treasury.

On September 15, 2016, the Commission published a Notice of Proposed Plan of Distribution and Opportunity for Comment ("Notice"),<sup>3</sup> pursuant to Rule 1103 of the Commission's Rules on Fair Fund and Disgorgement Plans ("Rules").<sup>4</sup> The Notice advised interested persons that they could obtain a copy of the proposed plan of distribution ("Distribution Plan") from the Commission's public website at <http://www.sec.gov/litigation/fairfundlist.htm> or by submitting a written request to Susan Pecaro, Esq., United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876.

The Notice also advised that all persons desiring to comment on the Distribution Plan could submit their comments, in writing, no later than thirty (30) days from the date of the

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<sup>3</sup> Exchange Act Rel. No. 78838 (Sept. 15, 2016).

<sup>4</sup> 17 C.F.R. § 201.1103.

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). The Commission received no comments on the Distribution Plan.

Pursuant to Rule 1102(a) of the Rules,<sup>5</sup> a distribution plan may provide for payment to a court-appointed receiver in a case pending against a respondent or any other person based on a complaint alleging violations arising from the same or substantially similar facts as those found in the Commission's order instituting proceedings. The District Court Action arose from the same facts and spanning the same time period as those at issue in the above-referenced proceedings. The Distribution Plan recommends the transfer of funds because a distribution through the District Court Action would benefit the same investors injured as a result of the Respondents' misconduct and be a more efficient use of the funds intended for distribution in the above-referenced proceedings.

The Distribution Plan provides that once the plan is approved by the Commission, Commission staff will take the necessary steps to obtain a Commission order transferring the two Fair Funds to the court-appointed receiver (the "Receiver") in the related Commission action, *Securities and Exchange Commission v. Cowgill*, No. 2:14-cv-396 (S.D. Ohio) (the "District Court Action"), pursuant to Rule 1102(a) of the Rules.<sup>6</sup> The Receiver will then distribute the two Fair Funds to injured investors using the same methodology for distribution as used in the Receiver's Plan<sup>7</sup> previously approved by the Court.

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<sup>5</sup> 17 C.F.R. § 201.1102(a).

<sup>6</sup> 17 C.F.R. § 201.1102(a).

<sup>7</sup> Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Distribution Plan.

The Division of Enforcement therefore now requests that the Commission approve the Distribution Plan and authorize the transfer of the two Fair Funds to the Receiver in the District Court Action for distribution.

Accordingly, it is hereby ORDERED that:

Pursuant to Rule 1104 of the Rules,<sup>8</sup> the Distribution Plan is approved; and, pursuant to Rule 1102(a) of the Rules,<sup>9</sup> the Commission staff shall transfer the Fair Funds in the two above-captioned proceedings to the Receiver's bank account established in the District Court Action, for distribution pursuant to the Receiver's Plan.

By the Commission.

Brent J. Fields  
Secretary

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<sup>8</sup> 17 C.F.R. § 201.1104.

<sup>9</sup> 17 C.F.R. § 201.1102(a).