

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83133 / April 30, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-17791

In the Matter of :
 :
Orthofix International N.V. :
 :
Respondent. :

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

ADMINISTRATIVE PROCEEDING
File No. 3-17792

In the Matter of :
 :
Jeffrey Hammel, CPA :
 :
Respondent. :

ADMINISTRATIVE PROCEEDING
File No. 3-17793

In the Matter of :
 :
Brian McCollum :
 :
Respondent. :

ADMINISTRATIVE PROCEEDING
3-17794

In the Matter of :
 :
Kenneth Mack and Bryan McMillan :
 :
Respondents. :

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, 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 matters.

On January 18, 2017, the Commission issued an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Orthofix Order”)¹ against Orthofix International N.V. (“Orthofix”). The Orthofix Order required Orthofix to pay an \$8,250,000.00 civil money penalty, and created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, so the penalty could be distributed to harmed investors (the “Orthofix Fair Fund”). The Orthofix Order further provided that the Orthofix Fair Fund could receive funds from and/or be combined with fair funds established for civil penalties paid by other respondents for conduct arising in relation to the violative conduct at issue in the Orthofix Order.

The Commission simultaneously issued three settled orders (together with the Orthofix Order, the “Orders”) in related matters (collectively, the “Related Matters”) against Hammel,² McCollum,³ and Mack and McMillan.⁴ Hammel’s order required him to pay a \$20,000.00 civil money penalty, and McCollum’s order required him to pay a \$35,000.00 civil penalty. Mack and McMillan’s order required them to pay a \$40,000.00 and \$25,000.00 civil money penalty, respectively. Each order created a fair fund and provided that it could be added or combined with the Orthofix Fair Fund and/or may be added to or combined with fair funds established for the civil penalties paid by other respondents for conduct arising in relation to the violative conduct at issue in the order, so that the combined fair funds could be distributed to harmed investors affected by the same violative conduct.

On December 27, 2017, the Commission issued an order consolidating the fair funds created in the Related Matters with the Orthofix Fair Fund and appointed Strategic Claims Services, Inc. as the fund administrator.⁵ The Orthofix Fair Fund has a total of \$8,370,000.00 for distribution to harmed investors.

¹ Securities Act Rel. No. 10281 (Jan. 18, 2017).

² See Order Instituting Public Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Sections 4C and 21C of the Securities Exchange Act of 1934, and Rule 102(e) of the Commission’s Rules of Practice, Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order, Securities Act Rel. No. 10282 (Jan. 18, 2017), Admin. Proc. File No. 3-17792.

³ See Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Cease-and-Desist Orders and Remedies, Exchange Act Rel. No. 79819 (Jan. 18, 2017), Admin. Proc. File No. 3-17793.

⁴ See Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Cease-and-Desist Orders and Penalties, Exchange Act Rel. No. 79820 (Jan. 18, 2017), Admin. Proc. File No. 3-17794.

⁵ See Order Consolidating Fair Funds, Appointing Fund Administrator, and Setting Administrator Bond Amount, Exchange Act Rel. No. 82410 (Dec. 27, 2017).

The Fair Fund is subject to the continuing jurisdiction and control of the Commission and the Fair Fund has been deposited at the United States Department of the Treasury's Bureau of the Fiscal Service for investment.

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 Keshia W. Ellis, Esq., 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.

Comments submitted by email or via the Commission's website should include "Administrative Proceeding File Nos. 3-17791-17794" 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 Fair Fund⁶ is comprised of the \$8,370,000.00 in civil money penalties paid by Orthofix, Hammel, McCollum, Mack and McMillan plus accumulated interest and earnings thereon, minus all taxes, fees, and other expenses of distributing the Fair Fund to investors who were harmed by the conduct described in the Orders. The Plan proposes to distribute the Net Fair Fund to investors who purchased eligible securities during the Recovery Period and suffered a Recognized Loss as calculated by the methodology used in the plan of allocation in the Plan.

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

Brent J. Fields
Secretary

⁶ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Plan.