

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 92825 / August 31, 2021**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15124**

<b>In the Matter of</b>	:	
	:	
<b>David F. Bandimere,</b>	:	<b>NOTICE OF PROPOSED PLAN OF</b>
	:	<b>DISTRIBUTION AND</b>
<b>Respondent.</b>	:	<b>OPPORTUNITY FOR COMMENT</b>
	:	

Notice is hereby given, pursuant to Rule 1103 of the United States 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 “Proposed Plan”) for the distribution of monies paid in the above-captioned matter.

On November 22, 2019, the Commission settled a previously instituted cease-and-desist processing by issuing an Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (the “Order”)<sup>1</sup> against David F. Bandimere (the “Respondent”). In the Order, the Commission found that between 2006 and 2010, the Respondent violated certain antifraud provisions of the Securities Act while operating as an unregistered broker in selling unregistered investments in IV Capital Ltd. (“IV Capital”) and Universal Consulting Resources LLC (“UCR”), two Ponzi schemes which the Commission brought actions against in 2011 and 2010 respectively.

The Order found Bandimere raised at least \$9.3 million from over 60 investors while acting as an unregistered broker for these Ponzi schemes and earned transaction-based compensation, which provided the vast majority of his income during that time period. Bandimere initially sold IV Capital directly to investors, but then formed three LLCs to facilitate bringing in investors for both IV Capital and UCR. Bandimere also encouraged the investment of the investors’ retirement funds by setting up self-directed IRA accounts through a third-party provider.

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<sup>1</sup> Securities Act Rel. No. 10728 (Nov. 22, 2019).

The Order further found Bandimere misled potential investors by presenting only a one-sided, positive view of the IV Capital and UCR investments while failing to disclose numerous red flags and potentially negative facts relating to those investments. Once Bandimere described IV Capital and UCR to potential investors in a materially positive way, he was under a duty to make fair and complete disclosure of these material red flags and negative facts. Bandimere also offered and sold securities in UCR and IV Capital when no registration statement was filed or in effect for the transactions, and no exemption applied to the registration requirements.

The Order further found that investors in Bandimere's LLCs ultimately lost all of the money they had invested in the UCR and IV Capital programs, other than what was paid to them as purported returns or returns of capital, when those Ponzi schemes collapsed.

As a result of the conduct described in the Order, the Commission ordered the Respondent to pay \$370,000 in disgorgement and a \$130,000 civil money penalty, for a total of \$500,000, 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 paid, along with the disgorgement paid, can be distributed to harmed investors (the "Fair Fund").

The Fair Fund includes the \$500,000.00 paid by the Respondent. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Fair Fund and has been deposited in an interest-bearing account at the U.S. Department of the Treasury's Bureau of the Fiscal Service, and any interest accrued will be added to the Fair Fund.

## **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 Proposed 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 Proposed 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. 3-15124" in the subject line. Comments received will be publicly available. Persons should submit only information they wish to make publicly available.

## **THE PROPOSED PLAN**

The Net Available Fair Fund<sup>2</sup> is comprised of the \$500,000.00 in disgorgement and civil money penalties paid by the Respondent, plus interest and income earned thereon, less taxes, fees, and expenses. The Proposed Plan provides for the distribution of the Net Available Fair Fund to investors who were defrauded by the Respondent's fraudulent conduct and suffered harm as calculated by the Plan of Allocation used in the Proposed Plan.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.<sup>3</sup>

Vanessa A. Countryman  
Secretary

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

<sup>3</sup> 17 C.F.R. § 200.30-4(a)(21)(iii).