

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 93874 / December 29, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20089

In the Matter of

Scott Eugene Bachman,

Respondent.

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

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 September 28, 2020, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, and Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "Order")¹ against Scott Eugene Bachman ("Bachman" or the "Respondent"). In the Order, the Commission found that since July 17, 2017, Bachman had been a principal and served as the co-manager of Crudefundors, LLC, which previously operated an online equity crowdfunding portal. The Order further found that, between August 2017 and December 2017, Bachman directed Crudefundors' Director of Client Relations to distribute promotional materials to potential investors concerning an oil and gas drilling project known as "Woodland-OPI Oddfellows A-1" (the "Oddfellows Project"), and to offer and sell securities in the form of "membership units" of an LLC. The Order also found that Bachman directed the use of investor funds in connection with the Oddfellows Project, and, at Bachman's direction, Crudefundors received transaction-based compensation for its sales of securities. However, Bachman was not registered with the Commission as a broker-dealer or associated with a registered broker-dealer. In addition, these securities were not registered and did not qualify for any exemption from registration. As a result, the Order found that Bachman violated Section 15(a)(1) of the Securities Exchange Act of 1934 and Sections 5(a) and 5(c) of the Securities Act of 1934. The Commission ordered the Respondent to pay a civil money penalty of \$8,824 to the Commission. The Commission also created a Fair Fund, pursuant to

¹ Securities Act Rel. No. 10857 (Sept. 28, 2020).

Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty paid can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund includes the \$8,824.00 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 David H. London, United States Securities and Exchange Commission, 33 Arch Street, 24th Floor, Boston, MA 02110-1424. 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.

Comments submitted by email or via the Commission’s website should include “Administrative Proceeding File No. 3-20089” 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 Fund² is comprised of the \$8,824.00 in 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 purchased Securities during the Relevant Period and suffered a Recognized Loss as calculated by the methodology used in the plan of allocation in the Proposed Plan.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.³

Vanessa A. Countryman
Secretary

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

³ 17 C.F.R. § 200.30-4(a)(21)(iii).