

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 94905 / May 12, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20310

In the Matter of

S&P Dow Jones Indices LLC,

Respondent.

ORDER APPROVING
PLAN OF DISTRIBUTION

On May 17, 2021, the Commission issued an Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (the “Order”)¹ against S&P Dow Jones Indices LLC (the “Respondent”). In the Order, the Commission found that prior to February 5, 2018, Respondent, which publishes an index that measures the return from a rolling long position for certain VIX futures contracts, failed to disclose the existence of a feature in this index that kept securities prices static during a period of unprecedented volatility. As a result of this undisclosed feature, values being published and disseminated to the market were not based on the real-time prices of certain VIX futures contracts. The Commission ordered the Respondent to pay a \$9,000,000.00 civil money penalty 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 can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund includes the \$9,000,000.00 paid by the Respondent.

The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Fair Fund 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.

On March 21, 2022, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),² pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans

¹ Securities Act Rel. No. 10943 (May 17, 2021).

² Exchange Act Rel. No. 94480 (Mar. 21, 2022).

(“Commission’s Rules”),³ and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the Proposed Plan from the Commission’s public website or by submitting a written request to Amy Sumner, United States Securities and Exchange Commission, Byron Rogers Federal Office Building, 1961 Stout Street, Suite 1700, Denver, CO 80294-1961. The Notice also advised that all persons desiring to comment on the Proposed Plan could submit their comments, in writing, within 30 days of the Notice. The Commission received no comments on the Proposed Plan during the comment period.

The Proposed Plan provides for the distribution of the Net Available Fair Fund⁴ to investors who held and/or purchased eligible securities between 4:09:40 p.m. on February 5, 2018 and 5:09 p.m. on the same date and suffered a recognized loss as calculated by the methodology used in the plan of allocation in the Plan.

The Division of Enforcement now requests that the Commission approve the Proposed Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104 of the Commission’s Rules,⁵ that the Proposed Plan is approved, and the approved Plan of Distribution shall be posted simultaneously with this order on the Commission’s website at www.sec.gov.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁶

Vanessa A. Countryman
Secretary

³ 17 C.F.R. § 201.1103.

⁴ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

⁵ 17 C.F.R. § 201.1104.

⁶ 17 C.F.R. § 200.30-4(a)(21)(iv).