

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

MICHAEL A. BODANZA and PREFERRED
FINANCIAL HOLDINGS CO., LLC,

Defendants,

and

PREFERRED DRILLING CO., LLC,
PREFERRED FINANCIAL INVESTMENT
CO., LLC, PREFERRED FINANCIAL
LEASING CO., LLC, and PREFERRED WELL
MANAGEMENT CO., LLC,

Relief Defendants.

Civil Action No. 1:12CV1954

~~XXXXXXXXXX~~
**PROPOSED ORDER APPOINTING DISTRIBUTION AGENT AND APPROVING
DISTRIBUTION PLAN**

The Court, having reviewed the United States Securities and Exchange Commission's ("Commission") Motion to Appoint a Distribution Agent and Approve the Distribution Plan, and for good cause shown, IT IS HEREBY ORDERED that:

1. The Motion is **GRANTED**.
2. Nancy Chase Burton, Esq., a Commission employee, is appointed as Distribution Agent.

3. The funds will be distributed in accordance with the Distribution Plan, which is approved by this Court.

4. The Distribution Agent shall perform such functions as are necessary to implement and administer the approved Distribution Plan, pursuant to which monies in the Distribution Fund, minus tax obligations, fees, expenses of the Tax Administrator, shall be distributed to Eligible Recipients on a *pro rata* basis, as provided for in the Distribution Plan.

5. The Distribution Agent shall be deemed to be acting within the scope of her employment with the Commission in administering this Distribution Fund. In carrying out her duties, the Distribution Agent may be assisted by other Commission staff acting under her supervision.

6. The Distribution Agent shall receive no compensation for the services performed in administering the Distribution Fund, other than her regular salary as an employee of the Commission.

7. The Distribution Agent shall coordinate with the Court-appointed Tax Administrator, Miller Kaplan Arase LLP, to ensure that the Distribution Fund, a Qualified Settlement Fund (“QSF”) under Section 468B(g) of the Internal Revenue Code, and related regulations pertaining to QSFs, 26 C.F.R. §§ 1.468B-1 through 5, complies with the legal and regulatory requirements imposed on distributions from the Distribution Fund.

8. The Distribution Agent may be removed *sua sponte* at any time by the Court or upon motion of the Commission and replaced with a successor.

9. The Distribution Agent and her designees, agents, and assistants are not required to post a bond, and shall not be liable to any person for their actions hereunder, except on a finding of willful disregard of duty.

10. The Distribution Agent will submit a final report describing the distribution made to the Court prior to seeking termination of the Distribution Fund and discharge of the Distribution Agent. In the unlikely event that a check is not cashed, those funds will be transferred to the U.S. Treasury.

DATED: 12/11/2018

s/ Christopher A. Boyko
CHRISTOPHER A. BOYKO
UNITED STATES DISTRICT JUDGE