



DIVISION OF
ENFORCEMENT

OFFICE OF
DISTRIBUTIONS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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May 26, 2021

BY ECF

The Honorable Kiyoo A. Matsumoto
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

**RE: *Securities and Exchange Commission v. O'Rourke, et al.*, No. 19-CV-4137
(KAM)**

Dear Judge Matsumoto:

This letter is in response to the Court's May 25, 2021 Order, in which the Court seeks copies of the publication of the Plan and the Order to Show Cause, and requests clarification as to whether any responses, of any kind, were received.

Attached to this letter are the following:

1. Exhibit A: the summary notice published by the Distribution Agent on April 26, 2021 in PRNewswire;
2. Exhibit B: a screenshot of the notice published from at least April 21, 2021 through May 20, 2021 on the opening page of the website established for this case: www.OrourkeDistributionFund.com. The Plan and the Order to Show Cause were hyperlinked below the summary, as reflected;
3. Exhibit C: the publication on the SEC webpage for this matter. The attached continues to be part of the historical summary of the case on the SEC webpage, <https://www.sec.gov/divisions/enforce/claims/orourke-black.htm>. The Plan and Order to Show Cause are hyperlinked on the page.

The Distribution Agent's website had 285 "hits" during the publication of the notice on the website, meaning 285 requests to a web server to go to that site; and the SEC webpage had 40 hits. The Order to Show Cause was also published on the Court's docket for this case. Neither the Distribution Agent nor the SEC received any objection to the Plan; the Distribution Agent received thirteen calls and seven emails inquiring about filing claims in the matter.

By way of further response, we recently proceeded in a similar matter in two actions in the Second Circuit: *SEC v. Longfin Corp., et al.*, Civil Action No. 18-2977-DLC (S.D.N.Y.) (ECF Nos. 129, 134) and *SEC v. Middleton, et al.*, 19-cv-4625-WFK-RER (E.D.N.Y.) (ECF Nos. 80, 82), in which the respective Courts approved plans upon the completion of the procedures under similar Orders to Show Cause.¹ Moreover, the SEC follows a similar process in administrative proceedings. Specifically, pursuant to SEC Rules of Practice 1103 and 1104, for each proposed plan in administrative proceedings, the SEC publishes Notice of the Plan on its website, providing to investors 30 days to comment, after which comments can be considered, and the plan can be approved, modified, or disapproved.² *See* 17 CFR 201.1103, 1104. We respectfully submit that sufficient notice of the Plan has been provided, no objections have been received, and we request that the Plan be approved.

Please contact me if I can provide additional information regarding the foregoing or otherwise assist the Court.

Respectfully submitted,

s/ Catherine E. Pappas
Catherine E. Pappas

cc: all counsel via ECF

Att: Exhibits A-C

¹ In *Middleton*, the security at issue was a digital security, so we included publication of the Order on some digital asset media.

² By way of recent example, see <https://www.sec.gov/litigation/admin/2021/34-91046.pdf>, notice of a plan published in Super Micro Computer, Inc., Admin. Proc. No. 3-19927, published on February 3, 2021. The plan has since been approved. <https://www.sec.gov/litigation/admin/2021/34-91507.pdf>

Exhibit A

If you purchased certain microcap stock between May 2016 and July 2019, you may be eligible for compensation from the O'Rourke Distribution Fund

SEC v. O'Rourke, 19-cv-4137 (KAM) (E.D.N.Y) (the "SEC Action")

NEWS PROVIDED BY
JND Legal Administration →
Apr 26, 2021, 09:16 ET

SEATTLE, April 26, 2021 /PRNewswire/ -- On July 17, 2019, the United States Securities and Exchange Commission (the "SEC") filed a lawsuit against Garrett O'Rourke and Michael J. Black alleging that, between May 2016 and July 2019, the defendants schemed to sell the stock of the five publicly traded companies listed below to investors through false and misleading statements and high pressure stock promotional campaigns. The SEC also alleged that the defendants disguised their control over some or all of the companies and their stock, thereby circumventing their obligations to register the stock with the Commission pursuant to Section 5 of the Securities Act of 1933 and conduct sales in accordance with the governing registration regulations. The matter has been resolved against O'Rourke, and the SEC has collected over \$5.7 million (the "Distribution Fund") that it now seeks to distribute. Additional funds ordered and collected, and accrued interest, will be added to the Distribution Fund.

The SEC has proposed a distribution plan that sets forth the method and procedures for distributing the assets of the Distribution Fund to investors harmed by the conduct alleged in the Complaint (the "Proposed Plan"). **On April 19, 2021, the Honorable Kiyoo A. Matsumoto issued an Order to Show Cause by which individuals and entities who purchased the securities listed below during the dates set forth below, or other interested parties, have until May 19, 2021, to object to the Proposed Plan.** Procedures to object to the Proposed Plan are discussed in detail in Section II of the Order to Show Cause. You can review and download

the Order to Show Cause and the Plan at www.OrourkeDistributionFund.com (the "Distribution Website"), on the SEC's website (<https://www.sec.gov/divisions/enforce/claims/orourke-black.htm>), or obtain a copy as otherwise directed below. FAILURE TO TIMELY SUBMIT AN OBJECTION IN ACCORDANCE WITH THE INSTRUCTIONS IN THE ORDER TO SHOW CAUSE WILL RESULT IN THE OBJECTION BEING WAIVED.

Company (Trading Symbol) [Relevant Period start and end dates (inclusive)]:

- AVI Group, Inc. (AVOP) [5/4/2016 through 10/19/2016];
- EnviroTechnologies International, Inc. (ETII) [2/1/2017 through 6/30/2017];
- EnviroTechnologies International, Inc. (ETII) [1/30/2018 through 5/10/2018];
- Cyberfort Software, Inc. (CYBF) [6/29/2018 through 8/15/2018];
- Link Reservations, Inc. (LRSV) [10/7/2016 through 2/9/2017]; and
- BioHemp International, Inc. (BKIT) [5/10/2019 through 7/16/2019].

The Proposed Plan, the Order to Show Cause, and other information concerning the SEC Action are available at www.OrourkeDistributionFund.com (the "Distribution Website"), and on the SEC's website (<https://www.sec.gov/divisions/enforce/claims/orourke-black.htm>). You can also obtain a copy by contacting the Distribution Agent at Info@OrourkeDistributionFund.com or by calling 1-833-358-1844. Procedures to object to the Proposed Plan are discussed in detail in Section II of the Order to Show Cause. Any objection must be submitted in accordance with the directions set forth in Section II of the Order to Show Cause. The objection and all documentation necessary to support the objection must be received, via email or addressed as set forth below, **no later than 11:59 P.M. PT on May 19, 2021.**

Orouke Distribution Fund
c/o JND Legal Administration
PO Box 91401
Seattle, WA 98111

Email: Info@OrourkeDistributionFund.com

This is only a summary notice. For more information, please carefully read the Order to Show Cause, the Proposed Plan, and other documents found on the Distribution Website.

Info@OrourkeDistributionFund.com.

SOURCE JND Legal Administration

Related Links

<https://www.orourkedistributionfund.com/>

Exhibit B

Garrett O'Rourke Distribution Fund

[Home](#)[Contact Us](#)*SEC v. Garrett O'Rourke and Michael J. Black, Civil Action No.: 19-CV-4137 (KAM) (E.D.N.Y.)*

Welcome to the O'Rourke Distribution Fund Website

Current Status

The SEC has proposed a distribution plan that sets forth the method and procedures for distributing the assets of the Distribution Fund to investors harmed by the conduct alleged in the Complaint (the "Proposed Plan"). **On April 19, 2021, the Honorable Kiyo A. Matsumoto issued an Order to Show Cause by which interested parties, had until May 19, 2021, to object to the Proposed Plan.** A downloadable version of the Order to Show Cause and the Proposed Plan are available below. No objections were filed and on May 20, 2021, the SEC filed with the Court notice that no objections were filed and requested that the Proposed Plan be approved.

Company Name	Trading Symbol	Relevant Period Start Date	Relevant Period End Date
AV1 Group, Inc.	AVOP	5/4/2016	10/19/2016
EnviroTechnologies International, Inc.	ETII	2/1/2017	6/30/2017
EnviroTechnologies International, Inc.	ETII	1/30/2018	5/10/2018
Cyberfort Software, Inc.	CYBF	6/29/2018	8/15/2018
Link Reservations, Inc.	LRSV	10/7/2016	2/9/2017
BioHemp International, Inc.	BKIT	5/10/2019	7/16/2019

You can also obtain a copy of the Order to Show Cause and the Plan by contacting the Distribution Agent at Info@OroukeDistributionFund.com or 1-833-358-1844.

Downloadable versions of the:

[Order to Show Cause](#)

[Proposed Plan](#)

Exhibit C



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SEC v. O'Rourke, et al. Case No. 19-cv-4137 (KAM) (E.D.N.Y.)

On July 17, 2019, the Commission filed a complaint (the "Complaint") against Garrett M. O'Rourke ("O'Rourke") and Michael J. Black ("Black") (collectively, the "Defendants"). In the Complaint, the Commission alleged that, from approximately May 2016 through July 2018, O'Rourke and Black schemed to sell the stock of AV1 Group, Inc., EnviroTechnologies International, Inc., and other publicly traded companies to investors through false and misleading statements and high pressure stock promotional campaigns. The Commission also alleged that the Defendants disguised their control over some or all of the companies and their stock, thereby circumventing their obligations to register the stock with the Commission pursuant to Section 5 of the Securities Act of 1933 and conduct sales in accordance with the governing registration regulations. See [Complaint](#).

The matter has since been resolved against O'Rourke; the action against Black is still pending. By amended final order entered by consent on December 7, 2020, the Court ordered O'Rourke, among other things, to pay disgorgement and prejudgment interest totaling \$5,763,719. The Commission was ordered to hold all funds, together with interest and income earned thereon, pending further order of the Court. See [O'Rourke's Final Judgment](#).

O'Rourke has paid the judgment in full, and the SEC currently holds over \$5.7 million in an interest-bearing account at the U.S. Treasury's Bureau of Fiscal Service (the "Distribution Fund"). Interest earned, and any funds paid by Black pursuant to Court Order, will be added to the Distribution Fund.

On March 4, 2021, the Court entered an order that appointed Miller Kaplan Arase LLP as the Tax Administrator, JND Legal Administration as the Distribution Agent of the Distribution Fund, and authorized related relief. See, the [Court's Order](#)

On April 8, 2021, the Commission filed a [letter](#) pursuant to Section III.B.1. of Judge Kiyoo A. Matsumoto's Chamber Practices to ask that the Court schedule a pre-motion conference in connection with the SEC's anticipated motion for the entry of an Order to Show Cause or, alternatively, enter an Order to Show Cause why the Court should not approve the Commission's proposed plan to distribute the Distribution Fund (the "Proposed Plan").

On April 19, 2021, after a telephonic hearing, the Court entered an [Order to Show Cause](#) pursuant to which individuals and entities who purchased the following securities during the period(s) set forth in the table below, or other interested parties, by May 19, 2021, shall show cause, if there is any, why this Court should not enter an Order approving the [Proposed Plan](#) for the distribution of the Distribution Fund. Objections must be made in accordance with the directions set forth in Section II of the Order to Show Cause.

Company Name	Trading Symbol	Relevant Period Start Date (inclusive)	Relevant Period End Date (inclusive)
AV1 Group, Inc.	AVOP	5/4/2016	10/19/2016
EnviroTechnologies International, Inc.	ETII	2/1/2017	6/30/2017
EnviroTechnologies International, Inc.	ETII	1/30/2018	5/10/2018
Cyberfort Software, Inc.	CYBF	6/29/2018	8/15/2018
Link Reservations, Inc.	LRSV	10/7/2016	2/9/2017
BioHemp International,	BKIT	5/10/2019	7/16/2019

Inc.

For more information, please contact the Distribution Agent:

JND Legal Administration

Telephone No. (833) 358-1844

Email: Info@OrourkeDistributionFund.com

Website: <https://cms.www.orourkedistributionfund.com/>

Modified: April 20, 2021

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