UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83997 / August 30, 2018

ADMINISTRATIVE PROCEEDING
FILE No. 3-11940

In the Matter of **HUNTINGTON BANCSHARES, INC., THOMAS E. HOAGLIN, MICHAEL J. McMENNAMIN, and JOHN VAN FLEET,** **Respondents.**	**ORDER AUTHORIZING THE TRANSFER TO THE U.S. TREASURY OF THE REMAINING FUNDS AND ANY FUNDS RETURNED TO THE FAIR FUND IN THE FUTURE, DISCHARGING THE PLAN ADMINISTRATOR, AND TERMINATING THE FAIR FUND**

On June 2, 2005, the United States Securities and Exchange Commission ("Commission") issued an Order Instituting Public Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, and Rule 102(e) of the Commission's Rules of Practice, Making Findings, Imposing a Cease-and-Desist Order, Imposing Remedial Sanctions, and Other Relief (the "Order")[1] against Huntington Bancshares, Inc. ("Huntington"), Thomas E. Hoaglin ("Hoaglin"), Michael J. McMennamin ("McMennamin"), and John Van Fleet, CPA ("Van Fleet") (collectively, the "Respondents"). In the Order, the Commission found that Huntington violated the federal securities laws by overstating its 2001 and 2002 operating earnings and that, had it not been for the misstatements, Huntington's reported operating earnings per share for 2001 and 2002 would have been short of analyst expectations. The Commission ordered Huntington to disgorge $1, Hoaglin to disgorge $480,000 and pay prejudgment interest of $37,609.29, McMennamin to disgorge $240,000 and pay prejudgment interest of $25,215; and Van Fleet to disgorge $25,000 and pay prejudgment interest of $1,660. The Order further established a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 for the total amount ordered (the "Fair Fund").

Also on June 2, 2005, the Commission filed and simultaneously settled an enforcement action in the United States District Court for the Southern District of Ohio (the "Civil Action"),[2] seeking from Huntington, Hoaglin, McMennamin, and Van Fleet, respectively, civil penalties of $7.5 million, $150,000, $150,000, and $25,000.

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[1] Securities Act Rel. No. 8579 (Jun. 2, 2005).
[2] *SEC v. Huntington Bancshares, Inc*., Civil Action No. 2:05-538 (S.D. Ohio).

Payments by the Respondents pursuant to the Order and the Civil Action judgment were deposited in an interest bearing account at the Department of the Treasury's ("U.S. Treasury") Bureau of Fiscal Services.

On December 29, 2005, the Commission published a Notice of Proposed Plan of Distribution of Disgorgement Fund and Opportunity for Comment by Non-Parties, pursuant to Rule 1103 of the Commission's Rules on Fair Fund and Disgorgement Plans (the "Rules"), 17 C.F.R. § 201.1103.[3] The Commission received one comment seeking publication of the criteria for eligibility on the Commission's website, which was resolved. On March 16, 2006, the Secretary, pursuant to delegated authority, approved the plan (the "Initial Plan") and appointed Nancy R. Grunberg as the Plan Administrator.[4]

The Initial Plan provided for the distribution of the Fair Fund to individuals and entities who purchased shares of Huntington common stock from January 18, 2002 through June 26, 2003, sold any portion of those shares between June 26, 2003 and July 3, 2003, and suffered a net realizable loss. The Initial Plan further provided that, within 90 days of its approval, the Plan Administrator would seek to amend it to specify the procedures to be used to distribute the Fair Fund.

On August 15, 2006, the Commission published a Notice of Modified Plan of Distribution of Disgorgement Fund (the "Final Plan").[5] The Final Plan provided more detail concerning the claims process by which potential claimants could seek a distribution, and specified the Plan Administrator's procedures for identifying and notifying potential claimants of the Fair Fund. Under the Final Plan, each eligible investor's *pro rata* share would be determined by calculating each eligible investor's net realized loss as a percentage of the total net realized losses for all eligible investors. The Commission received no comments on the Final Plan, and on October 2, 2006, the Commission approved the Final Plan.[6]

Pursuant to the Final Plan, the Plan Administrator determined seventy claimants, with aggregate losses of $35,716.47, eligible for a distribution. On November 9, 2010, the Commission authorized the disbursement of $35,716.47 from the Fair Fund to eligible investors.[7] Of the disbursed amount, fifteen checks, valued at $8,277.99 (23%) remained uncashed. In 2017, the Commission staff located twelve of the fifteen uncashed check recipients and caused the reissuance of twelve checks, resulting in the additional distribution of $7,642.19. Ultimately, $35,080.67 (98%) of the $35,716.47 was successfully distributed to eligible investors. The Fair Fund currently holds $9,271,961.73.

The Final Plan provides that the Fair Fund shall terminate effective June 30, 2007, or 90 days after all funds have been distributed to Eligible Claimants, the issue of uncashed or unclaimed funds has been resolved, or the final accounting by the Plan Administrator has been

[3] Exchange Act Rel. No. 53035 (Dec. 29, 2005).
[4] Order Approving a Plan of Distribution of a Fair Fund and Appointing a Plan Administrator, Exchange Act Rel. No. 53495 (Mar. 16, 2006).
[5] Exchange Act Rel. No. 54322 (Aug. 15, 2006).
[6] Order Approving Modified Plan of Distribution of a Fair Fund, Exchange Act Rel. No. 54554 (Oct. 2, 2006).
[7] Exchange Act Rel. No. 63290 (Nov. 9, 2010).

submitted and approved by the Commission, whichever is later. Upon the termination of the Fair Fund, all undistributed assets remaining in the Fair Fund, minus any reserves for tax liability and tax compliance costs, shall be remitted to the U.S. Treasury. A final accounting, which was submitted to the Commission for approval as required by Rule 1105(f) of the Rules, 17 C.F.R. § 201.1105(f), and as set forth in the Final Plan, is now approved. The staff has verified that all taxes, fees, and expenses have been paid, and the Commission is in possession of the remaining funds.

Accordingly, it is ORDERED that:

A. The remaining Fair Fund balance of $9,271,961.73, and any funds returned to the Fair Fund in the future, shall be transferred to the U.S. Treasury;

B. The Plan Administrator, Nancy R. Grunberg, is discharged; and

C. The Fair Fund is terminated.

By the Commission.

Brent J. Fields
Secretary