

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 100572 / July 22, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21585

In the Matter of

Impact Theory, LLC,

Respondent.

SECOND EXTENSION ORDER

The Division of Enforcement (“Division”) has requested an extension of time until October 28, 2024, to submit a Proposed Plan of Distribution under Rule 1101(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1101(a).

On August 28, 2023, 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 Impact Theory, LLC (“Impact Theory” or the “Respondent”). In the Order, the Commission found that from October 13, 2021, to December 6, 2021, Impact Theory, a media and entertainment company, offered and sold crypto asset securities known as Founder’s Keys in the form of purported non-fungible tokens, raising approximately \$29.9 million worth of ether from at least hundreds of investors, including investors across the United States. The Commission found that Impact Theory violated Sections 5(a) and 5(c) of the Securities Act by offering and selling these securities without having a

¹ Securities Act Rel. No. 11226 (Aug. 28, 2023).

registration statement filed or in effect with the Commission or qualifying for an exemption from registration.

The Commission ordered the Respondent to pay \$5,120,718.27 in disgorgement, \$483,195.90 in prejudgment interest, and a \$500,000.00 civil money penalty, for a total of \$6,103,914.17, 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 collected, along with the disgorgement and interest collected, can be distributed to harmed investors (the “Fair Fund”).

On October 27, 2023, the Division, pursuant to delegated authority, issued an Extension Order extending the time to submit a Proposed Plan of Distribution until July 26, 2024.

On January 5, 2024, the Division, pursuant to delegated authority, issued an order appointing Miller Kaplan Arase LLP (“MKA”) as the Tax Administrator of the Fair Fund.

The Fair Fund consists of the \$6,103,914.17 paid by the Respondent. The Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any accrued interest will be added to the Fair Fund.

In its request for an extension of time, the Division states that additional time is needed to complete the fund administrator solicitation and appointment process, develop the distribution methodology, and prepare the proposed plan of distribution.

Accordingly, for good cause shown, IT IS HEREBY ORDERED that the Division's request for an extension of time until October 28, 2024, to submit a Proposed Plan of Distribution is granted.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.²

Vanessa A. Countryman
Secretary

² 17 C.F.R. § 200.30-4(a)(21)(i).