

1. What is this case about?

On May 8, 2018, the Commission issued an Order Instituting 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 Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist [Order](#) against Visium. The Commission determined that, from at least July 2011 to December 2012, Visium, through two of its portfolio managers, engaged in a mismarking scheme, using sham broker quotes to falsely inflate the value of securities held by the Credit Fund, for which Visium acted as investment adviser. As a result, the Credit Fund reported falsely inflated returns, overstated its net asset value, misclassified certain distressed assets, and overpaid performance and management fees. The Commission ordered Visium to pay to the Commission disgorgement of \$4,755,223, prejudgment interest of \$720,711, and a civil money penalty of \$4,755,223. Visium has since paid in full and the Commission currently holds more than \$10.2 million, comprised of \$5,475,934 in disgorgement and prejudgment interest, a \$4,755,223 civil money penalty, and accrued interest.

By [Order](#) dated August 30, 2018, the Commission created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 (the “Fair Fund”), so that the civil money penalty can be distributed with the disgorgement and prejudgment interest paid by Visium for the benefit of harmed investors. The Fair Fund is deposited in an interest-bearing account at the United States Treasury’s Bureau of Fiscal Service and currently holds over \$10.2 million. By [Order](#) dated November 16, 2018, the Commission appointed KCC, LLC as the fund administrator for the Fair Fund (the “Fund Administrator”) and set the administrator’s bond amount at approximately \$10.2 million.

By [Order](#) dated July 8, 2019, the Commission approved a Plan of Distribution for the Fair Fund. Any additional funds timely received will be added to the Fair Fund for disbursement to investors pursuant to the Plan.

2. Why did I receive a Notice?

You received a Notice because you were identified as an Investor.

3. Who is eligible to participate in the Fair Fund?

You must satisfy certain eligibility criteria described in detail in the Plan. The general criteria include but are not limited to:

- You must be an Investor;
- You may not be an Excluded Entity; and you must have an Eligible Loss of \$10 or more.

4. Who is excluded from participating in the Fair Fund?

You are excluded if you are listed as an Excluded Entity in the Plan. The Excluded Entities are the Respondent [Visium Asset Management, LP] and its assigns; Steven Ku, the respondent in Steven Ku,

Admin. Proc. No. 3-18474 (May 8, 2018), and any of his assigns, heirs, spouses, parents, dependents or controlled entities; Christopher Plaford, the defendant in SEC v. Christopher Plaford, 16-CV-4511 (S.D.N.Y.), and any of his assigns, heirs, spouses, parents, dependents or controlled entities; Stefan Lumiere, the defendant in SEC v. Stefan Lumiere, 16-CV-4513 (S.D.N.Y.) and any of his assigns, heirs, spouses, parents, dependents or controlled entities; and the Fund Administrator [KCC, LLC], its employees, and those persons assisting the Fund Administrator in its role as Fund Administrator.

5. What is the amount of the Fair Fund?

The Visium Fair Fund currently holds more than \$10.2 million, composed of \$5,475,934 in disgorgement and prejudgment interest, a \$4,755,223 civil money penalty, and accrued interest.

6. What do I need to do to participate in the Fair Fund?

You must submit an Excluded Entity Certification Form to confirm that you are not an Excluded Entity as defined in the Plan of Distribution.

7. How do I request a wire payment?

Please download the Wire Instructions Form from the Case Documents page and email the completed instructions to info@VisiumFairFund.com. The Fund Administrator will reach out to you if any further information would be needed.

8. Who is the Fund Administrator?

The Fund Administrator is KCC Class Action Services, LLC.

9. How do I get more information or contact the Fund Administrator?

Additional information regarding the Visium Fair Fund may be found on this website. You may call the toll-free number 1-877-282-6682 to ask questions or to update your address, or you may email the Fund Administrator at info@VisiumFairFund.com.