UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 99958 / April 15, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21542

In the Matter of **EXCHANGE TRADED MANAGERS GROUP LLC,** **ETF MANAGERS GROUP LLC,** **and** **SAMUEL R. MASUCCI,** **Respondents.**	**ORDER DIRECTING SECOND PAYMENT OF CERTAIN FUNDS RECEIVED BY THE COMMISSION**

On August 1, 2023, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "Order")[1] against Exchange Traded Managers Group LLC ("Parent"), ETF Managers Group LLC ("Adviser"), and Samuel R. Masucci ("Masucci") (collectively, the "Respondents"). In the Order, the Commission found that the Respondents entered into a prohibited joint transaction to the detriment of Adviser's client ETFMG Alternative Harvest ETF ("MJ" or "Defrauded Client"). In connection with this prohibited transaction, Masucci and Adviser violated their duty of loyalty to MJ by misleading MJ's Independent Trustees about the Respondents financial conflicts of interest. Masucci and Advisor also breached their duty of care by knowingly providing advice that favored their own interests over the best interest of their client MJ.

The Commission ordered Masucci to pay a $400,000 civil money penalty; and the Parent and Adviser to jointly and severally, pay a $4,000,000 civil money penalty to the Commission, pursuant to a payment plan with the last payment due on or before March 31, 2024. In the Order, the Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the civil penalties paid can be distributed to the investor harmed by the Respondents' conduct described in the Order (the "Fair Fund").

[1] Exchange Act Rel. No. 98034 (Aug. 1, 2023).

On September 18, 2023, the Commission directed disbursement of the initial funds received from the Respondents pursuant to the Order, $600,000, less a reserve withheld for taxes and administrative expenses, from the Fair Fund to the Defrauded Client harmed by the Respondents' conduct described in the Order.[2]

The Respondents have since paid an additional $3,859,622.39, which has been added to the Fair Fund in accordance with the Order.[3]

The Secretary has now received written certification from the Chief of the Office of Bankruptcy, Collections, Distributions, and Receiverships that $3,870,380.22, comprised of the additional collections to date, net taxes, fees, and expenses, is available for disbursement.

Accordingly, it is hereby ORDERED that the Commission staff shall disburse $3,870,380.22 from the Fair Fund to the Defrauded Client.

By the Commission.

Vanessa A. Countryman
Secretary

[2] Exchange Act Rel. No. 98426 (Sept. 18, 2023).
[3] The Fair Fund has been held in a Commission-designated account at the U.S. Department of Treasury, and all accrued interest has been added to the Fair Fund for the benefit of the Defrauded Client.