

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 88588 / April 8, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19715

In the Matter of

**Fortress Investment Management,
LLC and William M. Malloy, III**

Respondents.

:
:
:
:
:
:
:

EXTENSION ORDER

The Division of Enforcement (“Division”) has requested an extension of time until November 30, 2020 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 February 27, 2020, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”)¹ against Fortress Investment Management, LLC (“Fortress”) and William M. Malloy, III (“Malloy”) (collectively, the “Respondents”). These proceedings arose from improper Commission registration and failure to disclose a conflict of interest involving Malloy and two investment adviser firms under his control, MWM 1835, LLC (“MWM”) and Fortress. The Order required Malloy to pay a \$50,000 civil money penalty and Fortress to pay \$45,040 in disgorgement, \$9,057 in prejudgment interest, and a \$50,000 civil money penalty to the Commission. The Commission also created a Fair Fund, pursuant to Section

¹ Adviser Act Rel. No. 5452 (Feb. 27, 2020).

308(a) of the Sarbanes-Oxley Act of 2002, so the penalty could be distributed to investors harmed by the Respondents' conduct described in the Order.

In its request for an extension of time, the Division states that it needs time to solicit and evaluate fund administrator proposals, develop the distribution methodology, and develop the plan of distribution.

Accordingly, for good cause shown, IT IS HEREBY ORDERED that the Division's request for an extension of time until November 30, 2020 to submit a Proposed Plan of Distribution is granted.

For the Commission, by its Secretary, pursuant to delegated authority.

Vanessa A. Countryman
Secretary