

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 92781 / August 27, 2021**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16829**

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**In the Matter of**

**William B. Fretz, Jr., John P.  
Freeman, Covenant Capital  
Management Partners, L.P., and  
Covenant Partners, L.P.,**

**Respondents.**

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**ORDER DIRECTING THIRD  
DISBURSEMENT OF  
DISTRIBUTION FUND**

On April 6, 2017, the Secretary, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),<sup>1</sup> pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);<sup>2</sup> and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the Proposed Plan from the Commission’s public website or by submitting a written request to Catherine E. Pappas, United States Securities and Exchange Commission, One Penn Center, 1617 JFK Blvd., Ste. 520, Philadelphia, PA 19103. The Notice also advised that all persons desiring to comment on the Proposed Plan could submit their comments, in writing, within 30 days of the Notice. The Commission received no comments on the Proposed Plan during the comment period. On May

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<sup>1</sup> Exchange Act Rel. No. 80392 (Apr. 6, 2017).

<sup>2</sup> 17 C.F.R. § 201.1103.

18, 2017, the Secretary, pursuant to delegated authority, issued an order approving the Proposed Plan,<sup>3</sup> and posted the approved Plan of Distribution (the “Plan”).

The Plan provides for the distribution of the Net Distribution Fund<sup>4</sup> on a *pro rata* basis to certain harmed investors identified by the Commission staff from records of the Trustee, records provided to the Commission staff by Covenant, and records obtained through the Plan Notice process.

On October 12, 2017, the Commission issued an order directing the disbursement of \$2,391,403.87 from the Distribution Fund for distribution by the Fund Administrator in accordance with the Plan.<sup>5</sup>

On April 5, 2019, the Commission issued a second order directing the disbursement of \$337,082.08 from the Distribution Fund for distribution by the Fund Administrator in accordance with the Plan.<sup>6</sup>

The Commission has received a third and final payment in the amount of \$40,563.19 on the Allowed Claim from the Bankruptcy Proceeding. The Distribution Fund currently holds \$42,438.34, comprised of the \$40,563.19 received from the Bankruptcy Proceeding and \$1,875.15 in residual funds from the two prior disbursements of the Distribution Fund and accrued interest.

The Fund Administrator, a Commission employee, now seeks to distribute these funds, less a reserve for taxes, fees, and expenses, in accordance with the Plan and has directed preparation of an electronic payment file in a Commission-approved format. The Commission staff has reviewed and accepts the payment file and requests, pursuant to Rule 1101(b)(6) of the

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<sup>3</sup> See Order Approving Plan of Distribution, Exchange Act Rel. No. 80711 (May 18, 2017).

<sup>4</sup> All capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Plan.

<sup>5</sup> Order Directing Disbursement, Exchange Act Rel. No. 81858 (Oct. 12, 2017).

<sup>6</sup> Corrected Order Directing Second Disbursement, Exchange Act Rel. No. 85536 (Apr. 5, 2019).

Commission's Rules on Fair Fund and Disgorgement Plans,<sup>7</sup> that the Commission direct the payment of \$37,938.02 from the Distribution Fund for distribution by the Fund Administrator to the Eligible Investors in accordance with the Plan.

Accordingly, it is hereby ORDERED that the Commission staff shall direct the payment of \$37,938.02 from the Distribution Fund for distribution by the Fund Administrator to the Eligible Investors in accordance with the Plan.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.<sup>8</sup>

Vanessa A. Countryman  
Secretary

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<sup>7</sup> 17 C.F.R. § 201.1101(b)(6).

<sup>8</sup> 17 C.F.R. § 200.30-4(a)(21)(v).