

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 92704 / August 18, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20452

In the Matter of	:	
	:	
WENDAN BAO, SHUO GU,	:	
LENDINGCAR CORP., AND	:	
H7 CREDIT LLC,	:	
	:	
Respondents.	:	

**ORDER APPOINTING TAX
ADMINISTRATOR AND DIRECTING
PAYMENT OF CERTAIN FUNDS
RECEIVED BY THE COMMISSION**

On August 4, 2021, 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, Sections 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 (the “Order”)¹ against Wendan Bao, Shuo Gu, LendingCar Corporation, and H7 Credit LLC (collectively, the “Respondents”). These proceedings arose out of Respondents’ misappropriation of assets in connection with their solicitation of investments in De Yao Fund, LP, a pooled investment vehicle set up to fund dealer floor plan loans to automobile dealerships in order to finance the purchase of used car inventory.

The Commission ordered Respondents to pay \$103,000 in disgorgement to the Commission, in nine installments, which is to be distributed to harmed investors to the extent feasible (the “Distribution Fund”):

1. \$15,450.00 within 10 days of the entry of the Order;
2. \$10,943.75 within 90 days of the entry of the Order;
3. \$10,943.75 within 180 days of the entry of the Order;
4. \$10,943.75 within 270 days of the entry of the Order;
5. \$10,943.75 within 360 days of the entry of the Order;
6. \$10,943.75 within 450 days of the entry of the Order;
7. \$10,943.75 within 540 days of the entry of the Order;
8. \$10,943.75 within 630 days of the entry of the Order; and
9. \$10,943.75 within 720 days of the entry of the Order.

¹ Securities Act Rel. No. 10960 (Aug. 4, 2021).

The Respondents have made the first payment of \$15,450.00 as ordered, which currently comprises the Distribution Fund, and any additional payments received pursuant to the Order will be added to the Distribution Fund.

The Distribution Fund constitutes a qualified settlement fund (“QSF”) under Section of 468B(g) of the Internal Revenue Code (IRC), 26 U.S.C. § 468B(g), and related regulations, 26 C.F.R. §§ 1.468B-1 through 1.468B-5. The appointment of a tax administrator to fulfill the tax obligations of the Distribution Fund is necessary. The appointment of Miller Kaplan Arase LLP (“Miller Kaplan”) is in accordance with the Omnibus Order Directing the Appointment of Tax Administrator in Administrative Proceedings that Establish Distribution Funds (the “Omnibus Order”).²

The Distribution Fund currently has available for distribution to the three investors set forth in Exhibit 1 attached hereto (the “Harmed Investors”) the \$15,140.00 paid by the Respondents, less a reserve for taxes and administrative expenses (the “Reserve”).

Upon further payments or collections and, at minimum, within 390 days and again within 760 days of the entry of the Order, if distribution is feasible after withholding any additional Reserve, the Commission staff will obtain additional orders to disburse the available funds to the Harmed Investors.

Accordingly, it is hereby **ORDERED** that:

- A. Miller Kaplan, in accordance with the Omnibus Order, is appointed Tax Administrator for the QSF in the above referenced proceeding and shall work with the Commission staff to establish the Reserve;
- B. After withholding the Reserve, the Commission staff shall disburse the remaining funds in the Distribution Fund to the three Harmed Investors, as set forth in Exhibit 1; and
- C. Any amounts remaining in the Distribution Fund after the final distribution as detailed above, that are infeasible to return to investors, and any amounts returned to the Distribution Fund in the future that are infeasible to return to investors, shall be transferred to the general fund of the U.S. Treasury subject to Section 21F(g)(3) of the Exchange Act.

By the Commission.

Vanessa A. Countryman
Secretary

² Exchange Act Rel. No. 85174 (Feb. 22, 2019).

Exhibit 1

Investor 1	59.81%
Investor 2	20.85%
Investor 3	19.34%