

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 100754 / August 16, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21610

In the Matter of

Fluor Corporation,

Respondent.

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**ORDER APPROVING
PLAN OF DISTRIBUTION**

ADMINISTRATIVE PROCEEDING
File No. 3-21612

In the Matter of

Jon Eric Best,

Respondent.

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ADMINISTRATIVE PROCEEDING
File No. 3-21613

In the Matter of

James F. Brittain,

Respondent.

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ADMINISTRATIVE PROCEEDING
File No. 3-21614

In the Matter of

Robin K. Chopra, CA,

Respondent.

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ADMINISTRATIVE PROCEEDING
File No. 3-21615

In the Matter of	:
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Bradley R. Scott,	:
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Respondent.	:

ADMINISTRATIVE PROCEEDING
File No. 3-21616

In the Matter of	:
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Kent N. Smith,	:
	:
Respondent.	:

On September 6, 2023, the Commission issued six separate, but related settled orders (collectively, the “Orders”) against Fluor Corporation (“Fluor”),¹ Jon Eric Best (“Best”),² James F. Brittain (“Brittain”),³ Robin K. Chopra, CA (“Chopra”),⁴ Bradley R. Scott (“Scott”),⁵ and Kent N. Smith (“Smith”)⁶ (collectively, the “Respondents”). In the Orders, the Commission found that Fluor and five former and current officers and employees improperly accounted for two large-scale, fixed-price construction projects. Fluor bid on these projects, relying on overly optimistic cost and timing estimates. Following each project’s contract award, Fluor experienced cost overruns that worsened over time. Yet, Fluor failed to maintain a system of internal accounting controls sufficient to account for these contracts in accordance with U.S. Generally Accepted Accounting Principles (GAAP). According to the Order, these failings resulted in

¹ Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order, Exchange Act Rel. No. 98292 (Sept. 6, 2023) (Admin. Proc. File No. 3-21610).

² Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order, Exchange Act Rel. No. 98293 (Sept. 6, 2023) (Admin. Proc. File No. 3-21612).

³ Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order, Exchange Act Rel. No. 98294 (Sept. 6, 2023) (Admin. Proc. File No. 3-21613).

⁴ Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order, Exchange Act Rel. No. 98295 (Sept. 6, 2023) (Admin. Proc. File No. 3-21614).

⁵ Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order, Exchange Act Rel. No. 98296 (Sept. 6, 2023) (Admin. Proc. File No. 3-21615).

⁶ Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order, Exchange Act Rel. No. 98297 (Sept. 6, 2023) (Admin. Proc. File No. 3-21616).

inaccurate books and records and ultimately in materially misstated financial statements included in periodic reports filed with the Commission.

In their respective Orders, the Commission ordered Fluor to pay \$14,500,000; Best to pay \$15,000; Brittain to pay \$25,000; Chopra to pay \$15,000; Scott to pay \$25,000; and Smith to pay \$20,000 in civil money penalties to the Commission, for a collective total of \$14,600,000.00. In each of the Orders, the Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties collected can be distributed to harmed investors. In the Order against Fluor, the Commission ordered that the Fair Fund created may be combined with or receive funds from proceedings arising out of the same conduct that is the subject of the order; and in each of the other Orders, the Commission ordered that the Fair Fund created may be combined with the Fair Fund created in the Order against Fluor.

Respondents have substantially paid in full.⁷ In accordance with the Orders, the \$14,599,980.00 collected from the Respondents has been combined (collectively, the “Fair Fund”) and deposited in a Commission-designated account at the U.S. Department of the Treasury for distribution to harmed investors. Any additional funds collected from the Respondents pursuant to the Orders, along with any accrued interest will be added to the Fair Fund.

On June 18, 2024, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),⁸ pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);⁹ 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 Amy Sumner, United States Securities and Exchange Commission, Byron Rogers Federal Office Building, 1961 Stout Street, Suite 1700, Denver, CO 80294-1961. 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.

The Proposed Plan provides for the distribution of the Net Available Fair Fund¹⁰ to those investors who were harmed by the Respondents’ conduct described in the Orders in connection with improper accounting for construction projects.

The Division of Enforcement now requests that the Commission approve the Proposed Plan.

⁷ All Respondents have paid in full except for Chopra, who has paid \$14,980 of the \$15,000 ordered.

⁸ Exchange Act Rel. No. 100376 (June 18, 2024).

⁹ 17 C.F.R. § 201.1103.

¹⁰ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104 of the Commission's Rules,¹¹ that the Proposed Plan is approved, and the approved Plan of Distribution shall be posted simultaneously with this order on the Commission's website at <https://www.sec.gov/>

For the Commission, by the Division of Enforcement, pursuant to delegated authority.¹²

Vanessa A. Countryman
Secretary

¹¹ 17 C.F.R. § 201.1104.

¹² 17 C.F.R. § 200.30-4(a)(21)(iv).