

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No.

ADMINISTRATIVE PROCEEDING  
File No. 3-16786

<p>In the Matter of <b>BANKRATE, INC.</b>  Respondent.</p>
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ADMINISTRATIVE PROCEEDING  
File No. 3-16787

<p>In the Matter of <b>HYUNJIN LERNER, CPA.</b>  Respondent.</p>
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**BANKRATE, INC. FAIR FUND NOTICE TO CLASS ACTION AUTHORIZED CLAIMANTS**

**TO:** Persons who purchased or otherwise acquired Bankrate, Inc. (“Bankrate”) common stock (“Eligible Securities”) between August 1, 2012 and October 9, 2014, inclusive (the “Relevant Period”) and who submitted a claim in the settlement of the related securities class action entitled *The City of Los Angeles, et al. v. Bankrate, Inc., et al.*, No. 9:14 cv 81323-DMM in the United States District Court for the Southern District of Florida (the “Class Action”) and such claim was approved in the administration of that settlement.

You are receiving this Notice because you submitted a Claim in connection with the Class Action, such Claim was approved by the Court (a “Class Action Authorized Claimant”), and therefore you may receive a payment from a fair fund established by the SEC as further described below (the “Fair Fund”). Under the terms of the Plan of Distribution (the “Plan”) for the Fair Fund,<sup>1</sup> you are automatically deemed an Eligible Claimant, but only with respect to those transactions that were approved by the Court in the Class Action (the “Approved Transactions”). You do not need to submit another Proof of Claim to participate in the Fair Fund, unless you wish to amend your claim to include additional transactions or to provide new information or documents to cure any deficiencies that were determined in the Class Action and were not cured.

**I. Purpose of this Notice.**

The purpose of this Notice is to inform you that you may be entitled to share in the proceeds of the Fair Fund as described herein. Copies of this Notice and the Proof of Claim Form are available on the Fair Fund’s website at [www.BankrateFairFund.com](http://www.BankrateFairFund.com) and through the website of the United States Securities and Exchange Commission (the “SEC” or “Commission”) at [www.sec.gov](http://www.sec.gov). As explained in greater detail below, if you are a Class Action

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<sup>1</sup> Any capitalized terms used in this Notice that are not otherwise defined herein shall have the meaning ascribed to them in the Plan, which is available on the website established for the Fair Fund at [www.BankrateFairFund.com](http://www.BankrateFairFund.com).

Authorized Claimant, and you do not have any additional purchases of Eligible Securities during the Relevant Period, you should **not** submit another Proof of Claim Form to participate in the Fair Fund.

**NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the Fair Fund website at [www.BankrateFairFund.com](http://www.BankrateFairFund.com) or you may email the Claims Administrator’s electronic filing department at [Info@BankrateFairFund.com](mailto:Info@BankrateFairFund.com). Any file not in accordance with the required electronic filing format will be subject to rejection.** Proof of authority to submit a Proof of Claim Form on behalf of any managed accounts must be submitted with any Proof of Claim Forms for such accounts.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY BECAUSE YOU ARE POTENTIALLY ENTITLED TO A RECOVERY FROM THE FAIR FUND. THIS NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR ABILITY TO SHARE IN THE FAIR FUND.**

## **II. Background.**

On September 8, 2015, in two related settled administrative proceedings the Commission issued separate orders, against Bankrate, Inc. (“Bankrate”) and, its vice president of finance Hyunjin Lerner, CPA (“Lerner”) (collectively, the “Respondents”) finding that they violated the federal securities laws.

The Commission ordered Bankrate to pay a \$15,000,000 civil penalty and ordered Lerner to pay a \$150,000 civil penalty, \$30,045 in disgorgement, and \$2,571 of prejudgment interest. Bankrate and Lerner paid the funds in full to the Commission on September 10, 2015 and September 18, 2015, respectively. Simultaneously, the Commission filed a related litigated civil action against Edward DiMaria, Bankrate’s former Chief Financial officer, and Matthew Gamsey, former Vice President and director of accounting, in the U.S. District Court for the Southern District of New York (“Civil Action”). On May 8, 2017, a single fair fund was established, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, which combined the \$15,182,616 in civil penalties, disgorgement, and prejudgment interest paid, by Bankrate and Lerner for distribution to harmed investors. Pursuant to their respective judgments in the Civil Action, DiMaria paid \$231,158.56 in disgorgement, prejudgment interest, and civil penalties and Gamsey paid a \$60,000 civil penalty to the Commission, which was transferred into the Fair Fund for distribution with the funds therein. In total, \$15,473,774.56 was paid into the Fair Fund for distribution to harmed investors.

On May 26, 2016, the Commission issued an order appointing Damasco & Associates LLP, now known as Miller Kaplan Arase LLP (“Miller Kaplan”), as the tax administrator (the “Tax Administrator”) of the Fair Fund.

On January 18, 2018, the Commission issued an order appointing JND Legal Administration (“JND”) as the fund administrator (the “Fund Administrator”) of the Fair Fund to assist in overseeing the administration and the distribution of the Fair Fund in coordination with Commission staff, pursuant to the terms of the Plan. Pursuant to the Order Approving Plan of Distribution, the Fair Fund, created by the Commission pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 for the benefit of investors harmed by the Respondents’ securities violations, shall be distributed in accordance with the methodology described in the Plan.

## **III. The Class Action.**

The Fair Fund is separate and independent from the settlement funds previously established in the Class Action. However, the Fair Fund relates to allegations resembling those asserted in the Class Action during the Relevant Period, which is contained within the class period of the Class Action. Therefore, because you submitted a Claim to participate in the Class Action and that Claim was approved, you do not need to submit another Proof of Claim Form for your Approved Transactions in order to participate in the Fair Fund. **However, you will not be deemed an Eligible Claimant with respect to any transactions that were deemed to be deficient in the Class Action (“Deficient Transactions”). If you had purchases of Eligible Securities during the Relevant Period in addition to your Approved Transactions and/or you have new information or documents regarding your**

**Deficient Transactions; you must submit Proof of Claim Form in order to recover for those purchases from the Fair Fund.**

**IV. Eligibility Criteria and Allocation of the Fair Fund.**

Overview of the Plan: The Fair Fund, together with accumulated interest and earnings from investments thereon, less taxes and the fees and expenses of administering the Plan (the “Net Available Fair Fund”) will be distributed to persons (other than Excluded Parties) who purchased, acquired, or were gifted as compensation Eligible Securities during the Relevant Period, including Class Action Authorized Claimants, who have an Eligible Loss Amount equal to or greater than the Distribution De Minimis Amount. Eligible Claimants include those who: (a) already submitted a Claim that was approved in the Class Action; (b) submitted a Claim that was determined to be deficient in the Class Action who now cure such deficiencies; and/or (c) submit Proof of Claim forms to the Fund Administrator on or before the Claims Bar Date that are finally determined by the Fund Administrator to be eligible for a distribution. The Fund Administrator is responsible for providing notice to persons with records in the Class Action, and for determining the amount of each Eligible Claimant’s Eligible Loss Amount calculated pursuant to the methodology of the Plan of Allocation as set forth in Exhibit A of the Plan of Distribution for the Bankrate Fair Fund (“Recognized Claim”).

Eligibility Criteria and the Method of Allocation: Other than Class Action Authorized Claimants who do not amend their claims, Eligible Claimants must satisfy the methodology used to calculate a Recognized Loss as set forth in Exhibit A to the Plan of Distribution for the Bankrate Fair Fund (the “Plan of Allocation”). The Plan of Allocation is available on the Fair Fund website.

**You are excluded from participation in the Fair Fund if you are:**

- A Respondent;
- A member of the immediate family (spouse or children) of any Respondent;
- An officer or director of Bankrate during the Relevant Period;
- Any firm, trust, corporation, officer, or other entity in which any Respondent has or had a controlling interest; and
- Bankrate’s directors’ and officers’ liability insurance carriers, and any affiliates or subsidiaries thereto.

Should the total Eligible Loss Amount of all Eligible Claimants exceed the Net Available Fair Fund, the Fund Administrator will distribute funds to the Eligible Claimants based upon a *pro rata* distribution formula. The Fund Administrator shall determine each Eligible Claimant’s Pro Rata Share of the Fair Fund based upon each Eligible Claimant’s Eligible Loss Amount divided by the total of all Eligible Loss Amounts of all Eligible Claimants, multiplied by the total amount in the Net Available Fair Fund (“*Pro Rata Share*”).

No Eligible Claimant shall receive a distribution payment unless his, her or its Eligible Loss Amount calculated pursuant to the Plan of Allocation results in a payment that is equal to or greater than \$10.00 (“Distribution De Minimis Amount”). Claims that would result in a payment of less than \$10.00 will not be paid.

**V. Proof of Claim Forms.**

**IF YOU ARE A CLASS ACTION AUTHORIZED CLAIMANT AND YOU DO NOT WISH TO AMEND THE CLAIM YOU FILED IN THE CLASS ACTION, DO NOT SUBMIT ANOTHER PROOF OF CLAIM FORM.**

**IF, BASED ON THE PRECEDING PARAGRAPHS, YOU CHOOSE TO AMEND YOUR CLAIM AND SUBMIT A PROOF OF CLAIM FORM WITH ADDITIONAL TRANSACTIONS, IT MUST BE SUBMITTED TO THE ADDRESS BELOW AND POSTMARKED, OR, IF NOT MAILED, RECEIVED BY FEBRUARY 23, 2021, (THE “CLAIMS BAR DATE”). PROOF OF CLAIM FORMS ARE AVAILABLE ON THE FAIR FUND WEBSITE [WWW.BANKRATEFAIRFUND.COM](http://WWW.BANKRATEFAIRFUND.COM). YOU MAY**

**ALSO REQUEST COPIES OF PROOF OF CLAIM FORMS BY CALLING THE FAIR FUND'S TOLL-FREE HOTLINE AT (888) 921-0721 OR BY EMAIL AT [INFO@BANKRATEFAIRFUND.COM](mailto:INFO@BANKRATEFAIRFUND.COM).**

**PROOF OF CLAIM FORMS MUST BE SUBMITTED TO THE ADDRESS BELOW AND POSTMARKED OR, IF NOT MAILED, RECEIVED BY FEBRUARY 23, 2021.**

**Bankrate Fair Fund  
c/o JND Legal Administration  
P.O. Box 91229  
Seattle, WA 98111**

**IF YOU FAIL TO TIMELY SUBMIT A COMPLETED PROOF OF CLAIM FORM FOR ADDITIONAL TRANSACTIONS, YOU MAY BE BARRED FROM RECEIVING A PAYMENT FROM THE FAIR FUND FOR THE ADDITIONAL TRANSACTIONS. THE PROOF OF CLAIM FORM MUST BE ACCOMPANIED BY APPROPRIATE SUPPORTING DOCUMENTS FOR EACH NEW TRANSACTION LISTED IN THE PROOF OF CLAIM FORM.**

If you submit a Proof of Claim Form that fails to provide all required information, or is otherwise deficient, you may receive a Claim Deficiency Notice advising you of the reason(s) why the claim is deficient and of the opportunity to cure such deficiencies.

**VI. Claims Determination.**

The Fund Administrator shall mail a notice advising each claimant that submitted a Proof of Claim Form of the determination concerning such claim. If a claim is denied in whole or in part, the Fund Administrator will state the reason for such denial. All determinations of the Fund Administrator that are made in accordance with the Plan shall be final and not subject to appeal.

**VII. Other Claims.**

Upon receipt and acceptance of a distribution from the Fair Fund, you shall be deemed to have released any claims you may have against the Fund Administrator and its agents. By participating in the distribution of the Fair Fund, you will not be releasing any rights or claims you may have against any party.

**VIII. Special Notice to Securities Brokers and Other Nominee Purchasers.**

If you purchased Eligible Securities during the Relevant Period as nominee for a beneficial owner and have additional names and addresses **that were not previously submitted** in the Class Action, then within fourteen (14) calendar days after you receive a Notice, you must either: (a) send a copy of the Notice by first-class mail to all such beneficial owners; or (b) provide a list of the names and addresses of such beneficial owners to the Fund Administrator at the address above.

**IX. Additional Information.**

Additional information regarding the Fair Fund may be found at [www.BankrateFairFund.com](http://www.BankrateFairFund.com). Proof of Claim Forms may be downloaded from the website. You may obtain additional information or request copies of Proof of Claim Forms by calling the Fair Fund's toll-free hotline at (888) 921-0721 or by emailing [Info@BankrateFairFund.com](mailto:Info@BankrateFairFund.com)

**PLEASE CHECK THE WEBSITE [WWW.BANKRATEFAIRFUND.COM](http://WWW.BANKRATEFAIRFUND.COM)  
FREQUENTLY FOR UPDATES**

Questions? Visit [www.BankrateFairFund.com](http://www.BankrateFairFund.com) or call (888) 921-0721

# Instructions for Bankrate Fair Fund Tax Reporting

The Bankrate Fair Fund is a “Qualified Settlement Fund” (“QSF”), as defined in Section 468B(g) of the Internal Revenue Code, 26 U.S.C. Section 468B(g), as amended, and the Treasury regulations promulgated thereunder, 26 C.F.R. 1.468B-1 et seq. The distribution from this Fair Fund has tax consequences.

The interest component of the distribution is U.S. source income. Therefore, before distribution, to ensure that the Fair Fund can comply with its reporting and/or withholding obligations, the Fair Fund must obtain an IRS Form W-9 (for U.S. persons) or IRS Form W-8BEN, W-8BEN-E, W-8IMY, W-8ECI, or W-8EXP. If you are a not a U.S. person, as that term is defined below, then you should not complete this Substitute IRS Form W-9. Instead, you should complete the IRS Form W-8BEN, W-8BEN-E, or other W-8 series form, which can be obtained from the IRS website: <https://www.irs.gov/forms-instructions>

The term “U.S. person” means:

- A citizen or resident of the United States,
- A partnership created or organized in the United States or under the law of the United States or of any State, or the District of Columbia,
- A corporation created or organized in the United States or under the law of the United States or of any State, or the District of Columbia,
- Any estate or trust other than a foreign estate or foreign trust, (See IRS Code Section 7701(a)(31) for the definition of a foreign estate and a foreign trust), or
- Any other person that is not a foreign person.

Your completed W-9 or W-8 series form must be received by our office no later than **February 23, 2021**. If the Fair Fund does not receive a valid and complete Form W-9 or W-8 from you, the Fair Fund may be required under the Internal Revenue Code to make certain presumptions about you for purposes of tax reporting and, as applicable, withholding. The Fair Fund may be required to presume the interest is being paid to: (1) a payee subject to 30% withholding under the Foreign Account Tax Compliance Act (“FATCA”) and reporting on Form 1042-S; (2) a nonresident alien of the U.S. (“NRA”) subject to reporting and 30% NRA withholding and reporting on Form 1042-S; or (3) a U.S. person subject to 24% backup withholding and reporting on Form 1099-INT.

You may wish to consult with your tax advisor to determine the appropriate tax treatment for your particular situation.

**Certification and Substitute FORM W-9**

**THIS FORM MUST BE SUBMITTED NO LATER THAN FEBRUARY 23, 2021**

Social Security Number / Taxpayer Identification Number: \_\_\_\_\_

Exempt Payee Code (if any) \_\_\_\_\_ Exemption from FATCA reporting code (if any) \_\_\_\_\_

Check appropriate box for federal tax classification:

- Individual  C Corporation  S Corporation  Partnership  Trust/Estate
- Other \_\_\_\_\_
- Limited Liability Company - choose tax classification  C Corporation  S Corporation  Partnership

Print your name as it appears on your federal income tax return:

\_\_\_\_\_

First Name and Last Name, for Individuals. Entity Name for businesses and trusts.

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number; **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; **and**
3. I am a U.S. citizen or other U.S. person (including a U.S. resident alien); **and**
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Note:** If you have been notified by the IRS that you are subject to backup withholding, you must cross out item 2 above.

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED BY ME (US) ON THIS FORM IS TRUE, CORRECT, AND COMPLETE, AND THAT THE DOCUMENTS, IF ANY, SUBMITTED HEREWITH ARE TRUE AND CORRECT COPIES OF WHAT THEY PURPORT TO BE.

Executed this \_\_\_\_\_ day of \_\_\_\_\_ in \_\_\_\_\_  
(Month/Year) (City/State/Country)

\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Sign your name here)

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(Type or Print your name here)

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(Type or Print your name here)

\_\_\_\_\_  
Capacity of person signing, if other than an individual, e.g., executor, president, trustee, custodian, etc.

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Capacity of person signing, if other than an individual, e.g., executor, president, trustee, custodian, etc.