

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90313 / November 2, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19927

In the Matter of

**SUPER MICRO
COMPUTER, INC.,**

Respondent.

EXTENSION ORDER

ADMINISTRATIVE PROCEEDING
File No. 3-19928

In the Matter of

HOWARD HIDESHIMA,

Respondent.

The Division of Enforcement (“Division”) has requested an extension of time until April 30, 2021 to submit a Proposed Plan of Distribution under Rule 1101(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 CFR 201.1101(a).

On August 25, 2020, the Commission issued the SMC Order¹ against Super Micro Computer, Inc. (“SMC”). In the SMC Order, the Commission determined that SMC, a producer of computer servers headquartered in California, engaged in improper accounting—prematurely recognizing revenue and understating expenses from at least fiscal year (“FY”)

¹ See Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934 Making, Findings, and Imposing a Cease-and-Desist Order, Securities Act Rel. No. 10822 (Aug. 25, 2020).

2015 through FY 2017. As a result, SMC filed with the Commission materially misstated financial statements in its annual, quarterly and current reports during the period.

As a result of the conduct described in the SMC Order, the Commission ordered SMC to pay a civil money penalty of \$17,500,000.00 to the Commission. In the SMC Order, the Commission created a Fair Fund (the “Fair Fund”), pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties collected could be distributed to investors harmed by the conduct described in the SMC Order.

Simultaneously therewith, the Commission brought the related administrative proceeding against Howard Hideshima (“Hideshima”), the former Chief Financial Officer of SMC for his actions related to the misconduct described in the SMC Order.² Hideshima was ordered to pay disgorgement of \$260,844.00, prejudgment interest of \$40,212.00, and a civil money penalty of \$50,000.00 to the Commission. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, the funds paid by Hideshima were ordered to be added to the Fair Fund established in the related administrative proceeding, *In the Matter of Super Micro Computer, Inc.*, Admin. Proc. File No. 3-19227.

SMC and Hideshima have paid in full. The Fair Fund, comprised of the total \$17,851,056.00 paid by SMC and Hideshima, has been deposited in an interest-bearing account at the United States Department of the Treasury’s Bureau of Fiscal Service. All interest earned will accrue for the benefit of the Fair Fund.

In its request for an extension of time, the Division states that it requires additional time to complete the fund administrator solicitation and appointment process, develop the distribution methodology, and develop the plan of distribution.

² See Corrected 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. 89657 (Aug. 25, 2020).

Accordingly, for good cause shown, IT IS HEREBY ORDERED that the Division's request for an extension of time until April 30, 2021 to submit a Proposed Plan of Distribution is granted.

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

Vanessa A. Countryman
Secretary