

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III. 3. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Lubben, age fifty-six (56), is and has been an attorney licensed to practice in the State of Minnesota. From 1996 until late 2006, he served as General Counsel to UnitedHealth Group Inc. (“UnitedHealth”).

2. UnitedHealth is and was, at all relevant times, a Minnesota corporation with its principal place of business in Minnetonka, Minnesota. UnitedHealth is a diversified health and well-being company offering a variety of insurance and other products and services to approximately 70 million individuals through six operating businesses. UnitedHealth’s securities are registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and are listed on the New York Stock Exchange.

3. On January 23, 2009, a final judgment was entered against Respondent in the civil action entitled Securities and Exchange Commission v. David J. Lubben, 08-cv-6454, in the United States District Court for the District of Minnesota. The final judgment permanently enjoined Lubben from future violations of Section 17(a) of the Securities Act of 1933 (“Securities Act”) and Sections 10(b), 13(b)(5), 14(a) and 16(a) of the Exchange Act and Rules 10b-5, 13b2-1, 14a-9 and 16a-3 thereunder, and from aiding and abetting violations of Sections 13(a), 13(b)(2)(A), 13(b)(2)(B) and 16(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11, 13a-13 and 16a-3 thereunder. The final judgment also ordered that Lubben is liable for \$1,403,310 in disgorgement, plus \$347,211 in prejudgment interest, and a \$575,000 civil money penalty.

4. The Commission’s complaint alleged, among other things, that Lubben participated in a stock options backdating scheme at UnitedHealth, in which hindsight was used to pick advantageous grant dates for the Company’s nonqualified stock options, which dates corresponded to dates of historically low annual or quarterly closing prices for UnitedHealth’s common stock. The complaint further alleged that various individuals, including Lubben or others acting at his direction, created false or misleading Company records indicating that the grants had occurred on the earlier dates when the Company’s stock price had been at a low. According to the complaint, because of the undisclosed backdating, for fiscal years 1996 through

2005, UnitedHealth filed with the Commission and disseminated to investors quarterly and annual reports, proxy statements and registration statements that Lubben knew, or was reckless in not knowing, contained or incorporated by reference materially false and misleading statements pertaining to the true grant dates of UnitedHealth options and materially false and misleading financial statements, which underreported compensation expenses. In addition, the complaint alleged that Lubben received and exercised backdated options on shares of UnitedHealth stock, and thus personally benefited from the backdating.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Lubben's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

Lubben is suspended from appearing or practicing before the Commission as an attorney for three (3) years. Furthermore, before appearing and resuming practice before the Commission, Lubben must submit an affidavit to the Commission's Office of General Counsel truthfully stating, under penalty of perjury, that he has complied with the Order; that he is not the subject of any suspension or disbarment as an attorney by a court of the United States or of any state, territory, district, commonwealth, or possession; and that he has not been convicted of a felony or misdemeanor involving moral turpitude as set forth in Rule 102(e)(2) of the Commission's Rules of Practice.

By the Commission.

Elizabeth M. Murphy
Secretary