

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54299 / August 10, 2006

ADMINISTRATIVE PROCEEDING
FILE NO. 3-12133

In the Matter of

Veras Capital Master Fund,
VEY Partners Master Fund,
Veras Investment Partners, LLC,
Kevin D. Larson, and
James R. McBride,

Respondents.

**NOTICE OF PROPOSED DISTRIBUTION
PLAN AND OPPORTUNITY FOR COMMENT**

Notice is hereby given, pursuant to Rule 1103 of the Securities and Exchange Commission's ("Commission") Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, that a proposed plan for the distribution of monies placed into a Fair Fund in the above captioned matter ("Distribution Plan") has been submitted to the Commission. On December 22, 2005, in the above captioned matter, 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, Section 203(f) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order") against Veras Capital Master Fund, VEY Partners Master Fund, Veras Investment Partners, LLC, Kevin D. Larson ("Larson"), and James R. McBride ("McBride") (collectively, "Respondents"). Among other things, the Commission's Order authorized and established the Fair Fund at issue.

OPPORTUNITY FOR COMMENT

Pursuant to this Notice, all interested parties are advised that they may print a copy of the proposed Distribution Plan from the Commission's public website, <http://www.sec.gov/litigation/admin/2006/34-54299-pdp.pdf>. Interested parties may also obtain a written copy of the proposed Distribution Plan by submitting a written request to Carolann Gemski, United States Securities and Exchange Commission, 175 W. Jackson Boulevard, Suite 900, Chicago, IL 60604. All persons who desire to comment on the Distribution Plan may submit their comments, in writing, no later than September 11, 2006:

1. to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-1090;
2. by using the Commission's Internet comment form (<http://www.sec.gov/litigation/admin.shtml>); or
3. by sending an e-mail to rule-comments@sec.gov. Please include the appropriate Administrative Proceeding File Number (3-12133) on the subject line.

Comments received will be publicly available. You should submit only information that you wish to make available publicly.

THE DISTRIBUTION PLAN

The Distribution Plan provides for distribution of the \$35,554,903 in disgorgement and \$645,585 in prejudgment interest ("Prejudgment Interest") paid by Respondents and of the \$750,000 civil penalty by each Larson and McBride ("Penalty") in this matter to the mutual funds in which Respondents' market timing and late trading caused dilution ("Affected Mutual Funds"). The total amount paid by Respondents is \$37,700,488 ("Settlement Amount"). The Affected Mutual Funds, or their lawful successors, shall be identified and shall receive their respective share

of the Settlement Amount based upon the disgorgement calculations that form the basis of the Commission's findings in the Order. As proposed in the Distribution Plan, if approved, the Affected Mutual Funds, or their lawful successors, would also receive a pro-rata apportionment of the Penalty, Prejudgment Interest, and interest earned on the Settlement Amount pending distribution of the Fair Fund. The Affected Mutual funds would not need to go through a claims process.

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

Nancy M. Morris
Secretary