UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
April 25, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12068

In the Matter of

INTERNATIONAL EQUITY ADVISORS, LLC AND RICHARD ROGER LUND,

Respondents.

PROPOSED PLAN OF DISTRIBUTION

1. *Purpose and Background*. This Proposed Plan of Distribution (the "Plan") has been developed pursuant to the Commission's Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order 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 Section 9(b) of the Investment Company Act of 1940 against International Equity Advisors, LLC and Richard Roger Lund, dated September 30, 2005 (the "Order"), and the Commission's Order Establishing Fair Fund, dated December 23, 2005. The Plan provides for the distribution of the disgorgement, prejudgment interest, and civil monetary penalty provided for in the Order to certain mutual funds that the Order found were defrauded by International Equity Advisors, LLC and Richard Roger Lund (collectively, "Respondents").

The Order found that Respondents market timed various mutual funds and, in order to evade detection of their market timing activities, engaged in a scheme to conceal the nature and volume of their trading from the mutual funds through the use of multiple accounts opened at four different broker-dealers. As a result of this activity, the Order found that Respondents willfully committed violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, which prohibit fraudulent conduct, respectively, in the offer or sale of securities, and in connection with the purchase or sale of securities.

The Order further found that Respondents realized approximately $2,500,000 in management fees that they were paid as a result of the increase in client assets Respondents achieved through their market timing. The Order provided that Respondents pay, on a joint and several basis, disgorgement in the amount of $2,500,000 plus prejudgment interest in the amount of $190,000, and pay a civil monetary penalty in the amount of $500,000.

In accordance with the Order, on October 28, 2005, Respondents paid a total of $3,190,000 in disgorgement, prejudgment interest, and a civil monetary penalty to the Commission. Pursuant to the December 23, 2005 Order, a Fair Fund was established for these funds.

This Plan is subject to approval by the Commission, who retains jurisdiction over the implementation of the Plan.

2. *Fund Administrator*. Stephen E. Donahue, an Assistant District Administrator in the Commission's Division of Enforcement, is proposed to act as the fund administrator for the Plan (the "Fund Administrator"). As a Commission employee, the Fund Administrator shall receive no compensation, other than his regular salary as a Commission employee, for his services in administrating the Fair Fund. In accordance with Rule 1105(c), no bond is required since the fund administrator is a Commission employee.

3. *Procedures for the Receipt of Additional Funds*. This Fair Fund has been deposited at the U.S. Treasury Bureau of Public Debt for investment in short-term U.S. Treasury securities and obligations. Other than interest from these investments, it is not anticipated that the Fair Fund will receive additional funds.

4. *Specification of Eligible Fair Fund Recipients*. The Fund Administrator shall distribute Plan funds to those mutual funds that have been harmed by the illegal market timing activities described in the Order (individually, each "Eligible Mutual Fund," and collectively, the "Eligible Mutual Funds").

5. *No Claims-Made Process.* This Fair Fund is not being distributed according to a claims-made process, so the procedures for providing notice and for making and approving claims are not applicable.

6. *Qualified Settlement Fund*. The Fair Fund constitutes a Qualified Settlement Fund ("QSF") under Section 468B(g) of the Internal Revenue Code, 26 U.S.C. §468B(g), and related regulations, 26 C.F.R. §§1.468B-1 through 1.468B-5.

7. *Control of Distribution Fund.* The Commission has control of the Fair Fund and shall retain control of the assets of the Fair Fund until distribution to the Eligible Mutual Funds. The Fair Fund is currently deposited at the United States Treasury Bureau of Public Debt. The Fair Fund will be distributed by the Financial Management Service, United States Treasury. The Fund Administrator will ensure that all required information shall be made available to the Tax Administrator. The Fund Administrator shall use the assets and earnings of the Fair Fund to provide payments to Eligible Mutual Funds and to provide the Tax Administrator with assets to pay tax liabilities and tax compliance fees and costs.

8. *Tax Administrator*. The Commission has appointed Damasco & Associates as the Tax Administrator ("Tax Administrator") of the Fair Fund (*see* Order Appointing Tax Administrator, Exchange Act Release No. 53352 (February 23, 2006)). The Fund Administrator will cooperate with the Tax Administrator in providing information necessary to accomplish the

income tax compliance, ruling and advice work assigned to the Tax Administrator by the Commission. The Tax Administrator shall be compensated by the Fair Fund.

9. *Expenses of Administration*. Fees and other expenses of administering the plan shall be paid first from the interest earned on the funds, and, if the interest is not sufficient, then from the corpus.

10. *Intentions of Distribution.* The methods of calculation of each Eligible Mutual Fund's share of the Fair Fund are intended to result in a payment to each Eligible Mutual Fund that restores its impaired value. Some of this impaired value is susceptible to calculation, while some of this impaired value is not. The methods of calculation are intended by the Commission to estimate fairly the impaired value that each Eligible Mutual Fund has suffered and make a payment in that amount.

11. *Methodology for Determining Distribution Amounts*. The Fund Administrator will determine the amount to be distributed to each Eligible Mutual Fund in the following manner. First, the Fund Administrator will determine, with reference to information collected by the staff of the Commission regarding trading in each Eligible Mutual Fund by the Respondents, what percentage of Respondents' cumulative trading (including all purchases and sales) in all Eligible Mutual Funds is represented by Respondents' trading in each Eligible Mutual Fund. Second, for each Eligible Mutual Fund, the Fund Administrator will multiply this percentage of total trading by the total amount of the disgorgement, prejudgment interest, and civil monetary penalty listed in paragraph 1, above, along with any interest accrued in the Deposit Account and less any taxes, fees or other expenses of administrating the plan (the "Distribution Fund"). This amount represents each Eligible Mutual Fund's distribution amount.

12. *Procedures for Locating and Notifying Responsible Persons for Eligible Mutual Funds*. The Fund Administrator will identify the person or entity with fiduciary responsibility for each Eligible Mutual Fund or its successor entity. Within thirty (30) days of the approval of this Plan, the Fund Administrator will send each such fiduciary a notice by United States Postal Service regarding the Commission's approval of the Plan, a statement characterizing the distribution, a description of the tax information reporting and other related tax matters, and the procedure for distribution. The Fund Administrator will request from each fiduciary information sufficient to accomplish the distribution, including the tax identification number for the Eligible Mutual Fund, whether the Eligible Mutual Fund is a domestic or foreign entity for tax purposes, payment address, and contact information.

If an Eligible Mutual Fund fails to respond within fourteen (14) days from the mailing of the notice, the Fund Administrator shall then make no fewer than two (2) attempts to contact the Eligible Mutual Fund telephonically. The second attempt shall in no event take place more than thirty (30) days from the mailing of the notice.

If an Eligible Mutual Fund fails to respond to the Fund Administrator's contact attempts as described in this paragraph, its allocated distribution amount shall be considered an undistributed asset and placed in a residual account within the Fair Fund. When all undelivered distributions and uncashed checks, if any, have been reconciled, the residual amount will be remitted to the United States Treasury.

13. *Financial Management Service; Validation and Approval of Disbursing the Distribution Funds.* The Fair Fund distribution to investors will be implemented by the Financial Management Service, United States Treasury ("FMS"), which will electronically transfer funds to each payee as instructed by the Fund Administrator. FMS will provide the Fund Administrator with its proprietary software for the submission, in "Agency Input Format," of the information necessary to electronically transfer funds through the Automated Clearing House ("ACH"). The Fund Administrator will compile the information into an electronic file in the Agency Input Format and submit this electronic file to the assigned Commission staff, who will obtain authorization from the Commission to disburse pursuant to Rule 1101(b)(6). The payees and amounts will be validated by Commission staff. The validation will state that the electronic file was compiled in accordance with the Plan and provides all information necessary for FMS to make disbursement by ACH. The Commission, through the Office of Financial Management, will transmit the electronic file to FMS for the transfer of funds. Within 24 to 48 hours of receipt by FMS, funds will be transferred by the ACH.

FMS will notify the Commission, which in turn, will notify the Fund Administrator of any returned items due to non-delivery, insufficient addresses, and/or other deficiencies. The Fund Administrator is responsible for making reasonable efforts to research and reconcile all errors that result in nondelivery and shall submit a supplemental electronic file for payment of the returned items.

The Fund Administrator also is responsible for accounting for all payments. In the event that any distribution is in the form of a paper check in lieu of an electronic transfer, each check will state on its face that it is valid for one year. After one year from the date on the distribution check, FMS shall notify the Commission, which in turn, will notify the Fund Administrator, of all uncashed checks and will credit the SEC account for the Distribution Fund for the amount of all uncashed checks.

14. *Information mailing to Accompany Payments.* All payments shall be preceded or accompanied by a communication that includes, as appropriate: (a) a statement characterizing the distribution; (b) a description of the tax information reporting and other related tax matters; and (c) the names of the Fund Administrator and the appropriate Commission staff to contact, to be used in the event of any questions regarding the distribution. All distributions, either on their face or in an accompanying mailing, will clearly indicate that the money is being distributed from an SEC Fair Fund.

15. *Notice of Proposed Plan and Opportunity for Comment.* Notice of this Plan shall be published in the SEC Docket, and on the Commission website [http://www.sec.gov]. Any person or entity wishing to comment on the Plan must do so in writing by submitting their comments within thirty days of the date of the notice (i) by sending a letter to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, D.C. 20549-1090; (ii) by using the Commission's Internet comment form (www.sec.gov/litigation/admin.shtml); or (iii) by sending an e-mail to rule-comments@sec.gov.

Comments submitted by e-mail or via the Commission's website should include the Administrative Proceeding File Number (Admin. Proc. File No. 3-12068) in the subject line. Comments received will be available to the public. Commenters should only submit information that they wish to make publicly available.

16. *Accountings*. The Fund Administrator will submit a final accounting for approval of the Commission prior to termination of the Fair Fund and discharge of the Fund Administrator. Since the funds are being held at the U.S. Treasury Bureau of Public Debt, and a Tax Administrator has been appointed, no interim accountings will be conducted.

17. *Amendment*. The Fund Administrator will inform staff of nonmaterial changes before implementation, but will obtain approval from the Commission prior to the implementation of any material changes in the Plan. If material changes are required, this Plan may be amended upon the motion of the Fund Administrator or upon the Commission's own motion.

18. *Termination of the Fair Fund and Undistributed Amounts*. Upon distribution of the funds, and after allowing for the appropriate time for any distributions in the form of a paper check, the Fund Administrator shall make arrangement for the final payment of taxes and Tax Administrator fees and shall submit a final accounting to the Commission. The Distribution Fund shall be eligible for termination after all of the following have occurred: (1) the Final Accounting by the Administrator has been submitted and approved by the Commission, (2) all taxes and fees have been paid and (3) all remaining funds or any residual have been transferred to the U.S. Treasury. Staff shall seek an order from the Commission to (1) approve the Final Accounting; (2) approve sending the remaining residual amount to the United States Treasury after the final tax payment has been made; and (3) authorize the Secretary of the Commission, upon receipt of notice from the staff assigned to this matter that all funds have been expended, to dismiss the Fund Administrator.