
Pursuant to the Order, a plan was proposed for the distribution of the Fair Fund. The Fair Fund is comprised of $10,276,002 paid by the Respondents, plus accumulated interest, less any federal, state, or local taxes on the interest.
The Division of Enforcement (“Division”) seeks approval of the appointment of Gilardi & Co., L.L.C. (“Gilardi”) as Fund Administrator for the Proposed Plan of Distribution and approval of the waiver of the bond requirement for Gilardi for the good cause shown in the proposed plan and pursuant to Rule 1105(c) of the Commission’s Rules on Fair Fund and Disgorgement Plans.

The proposed plan contemplates the distribution of funds now at the Department of Treasury Bureau of Public Debt to mutual funds that had marketing arrangements with the Respondents during the period from October 2002 through September 2003; or, in the case of mutual funds that have been merged into other mutual funds, to their successors in interest. The Fair Fund will be disbursed by Treasury, and Gilardi will not have possession of the Fair Fund or discretion regarding disbursements from the Fair Fund.

IT IS HEREBY ORDERED that Gilardi is appointed as the Fund Administrator and that the bond requirement of the Fund Administrator is waived for good cause shown.

By the Commission

Elizabeth M. Murphy
Secretary