

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-13675

In the Matter of

**Value Line, Inc.,
Value Line Securities, Inc.,
Jean Bernhard Buttner, and
David Henigson,**

Respondents.

**FINAL PLAN OF
DISTRIBUTION**

I. OVERVIEW

The Division of Enforcement (“Division”) submits the following Plan of Distribution (the “Distribution Plan”) to the Securities and Exchange Commission (“Commission”) pursuant to Rule 1101 of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1101. As described more specifically below, the Distribution Plan provides for a distribution to certain injured shareholders of nine Value Line mutual funds that held shares between January 1, 1986 and November 9, 2004. The affected funds, collectively the “Value Line Funds” or the “Funds,” are: (alphabetically)

Value Line Asset Allocation Fund, Inc.;

Value Line Centurion Fund, Inc.;

Value Line Emerging Opportunities Fund, Inc. (formerly Value Line Small Cap Growth Fund, Inc.);

Value Line Fund, Inc.;

Value Line Income and Growth Fund, Inc.;

Value Line Leveraged Growth Investors, Inc.;

Value Line Special Situations Fund, Inc.;

Value Line Strategic Asset Management Trust; and

Value Line U.S. Multinational Company Fund, Inc.

From 1986 to November 2004, Value Line Inc. (“VLI”) directed approximately \$24.2 million in brokerage commissions from the Value Line Funds to an affiliated broker-dealer, Value Line Securities, Inc. (“VLS”), without disclosing to the Funds or the

Funds' shareholders that VLS did not provide any brokerage services to the Funds for these commissions. On November 4, 2009, the Commission, VLI, VLS and two individuals at these companies¹ entered into a settlement, described in greater detail below, in which VLI paid to the Commission \$24,168,979 in disgorgement, \$9,536,786 in prejudgment interest, and \$10 million in a civil penalty. These amounts have been paid and placed into a Fair Fund created by the Commission. The Distribution Plan intends to distribute from the Fair Fund to eligible investors their share of losses resulting from the violations, plus interest.

The Distribution Plan is subject to approval by the Commission, and the Commission retains jurisdiction over implementation of the Distribution Plan.

II. FACTUAL AND PROCEDURAL BACKGROUND

A. Settlement Description

1. On November 4, 2009, the Commission entered an 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, Sections 15(b)(4), 15(b)(6) and 21C of the Securities Exchange Act of 1934, Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (Securities Act Release No. 9081) (the "Order") with respect to Respondents. Simultaneously with the entry of the Order, the Commission accepted settlement offers from Respondents in which Respondents consented to the entry of the Order without admitting or denying the Order's findings, except as to jurisdiction.

2. In the Order, the Commission found that VLI, VLS, Buttner, and Henigson willfully violated Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder; VLI willfully violated Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"), and VLS, Buttner, and Henigson willfully aided and abetted and caused VLI's violations of Sections 206(1) and 206(2) of the Advisers Act; VLI willfully violated Section 207 of the Advisers Act; VLI willfully violated Section 15(c) of the Investment Company Act of 1940 ("Investment Company Act"); VLI and VLS willfully violated Section 17(e)(1) of the Investment Company Act; and VLI, Buttner and Henigson willfully violated Section 34(b) of the Investment Company Act. As a remedial sanction, the Commission ordered that VLI pay disgorgement in the amount of \$24,168,979, plus prejudgment interest of \$9,536,786. Additionally, civil monetary penalties were ordered to be paid by VLI in the amount of \$10,000,000, by Buttner in the amount of \$1,000,000, and by Henigson in the amount of \$250,000.

¹ VLI, VLS, Jean Bernhard Buttner ("Buttner"), the former Chief Executive Officer, President and Chairman of the Board of VLI and former Chairman and President of VLS, and David Henigson ("Henigson"), at various times the former Director, Vice-President, Treasurer and/or Chief Compliance Officer of VLI and former Director and Vice-President of VLS, are collectively the "Respondents."

3. In accordance with the Order, monies totaling \$44,955,765 were paid to the Commission, of which \$43,705,765 comprising VLI's payment of disgorgement, prejudgment interest and civil penalties was used to create a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, 15 U.S.C. Section 7246, and Rule 1100 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. 201.1100. The Fair Fund (also referred to herein as the "Distribution Fund") has been deposited at the U.S. Department of Treasury Bureau of the Public Debt ("BPD") for investment. Other than interest from those investments, it is not anticipated the Fair Fund will receive additional funds.

4. The purpose and intent of the Distribution Plan is to distribute a portion of the Distribution Fund to persons who held shares of any of the Value Line Funds during the Relevant Period (defined below) based on the Plan of Allocation described herein. The distribution fund administrator (defined below) has agreed to take reasonable steps to identify and contact all potential claimants, verify each potential claimant's eligibility to receive a share of the Distribution Fund, calculate each claimant's disbursement (defined below) amount, resolve any disputes, and distribute the Distribution Fund to those claimants whom the administrator determines to be eligible.

B. Appointment of Fund Administrator

5. The Commission has appointed A.B. Data, Ltd. ("A.B. Data" or "Administrator"), as the administrator of the Distribution Fund. See Order Appointing a Fund Administrator and Waiving Bond (Exchange Act Release No. 62837, Sept. 2, 2010). A.B. Data is a class action notice and claims administrator with principal business offices located in Milwaukee, WI. A.B. Data has provided similar administrative services in a number of Commission actions.

6. A.B. Data shall be entitled to reasonable fees and reimbursement for reasonable costs and expenses in accordance with the proposal submitted to the Commission. The Order requires VLI to pay all costs associated with the Fair Fund distribution, including, but not limited to, the fees, costs and expenses of A.B. Data.

C. Waiver of Bond Requirement

7. The Commission has waived the bond requirement of A.B. Data for good cause, as provided under 17 CFR 201.1105(c). Good cause is shown specifically by the provisions of this Distribution Plan that (1) the Administrator will have no custody, and only limited control, of the Distribution Fund; (2) the Distribution Fund will be held by the BPD on behalf of the Commission until immediately before transmittal of checks or electronic transfers to eligible investors; (3) upon transfer from the BPD, funds will be held in an escrow account (the "QSF Account," described infra) at The Huntington National Bank ("Huntington Bank" or the "Bank"), separate from Bank assets, until presentation of a check or electronic transfer, at which time funds will be transferred to a Controlled Distribution Account or a Managed Distribution Account ("Distribution Account") at Huntington Bank; (4) presented checks or electronic transfers will be

subject to “positive pay” controls before being honored by Huntington Bank; and (5) both Huntington Bank and A.B. Data will maintain, throughout this process, insurance and/or a financial institution bond that covers errors and omissions, misfeasance and fraud.

8. Huntington Bank maintains and will continue to maintain a Bankers Blanket Bond which includes errors and omissions (“E&O”) coverage with a single aggregate limit in the amount of \$105 million with \$70 million per occurrence. The insurers are National Union Insurance and St. Paul Mercury Insurance Company, companies which, as of their most recent renewals, were rated “A” and “A+”, respectively by A.M. Best. Huntington Bank annually assesses the adequacy of its policy limits through extensive analysis of historical loss data, exposure to loss and internal company controls. The limits of Huntington Bank are reviewed annually by the company’s Board of Directors. Documentation has been provided to the assigned Commission staff to support the foregoing representations.

9. In lieu of a bond, the Administrator maintains and will continue to maintain insurance until termination of the Distribution Fund. The current primary insurer, Endurance American Specialty Insurance Company, is a company which, as of its most recent renewal was rated “A” by A.M. Best. The Administrator maintains and will continue to maintain until the termination of the Distribution Fund, E&O insurance in the amount of \$10 million, which protects against errors and omissions committed by the employees of the Administrator in the course of their performance of professional services. The E&O policy has a policy limit of \$10 million per occurrence and an overall limit of \$10 million during the life of the policy. The Administrator also maintains additional policies of \$40 million in excess E&O insurance, as well as in general commercial liability coverage of \$2 million in the aggregate and \$1 million per occurrence. Lastly, the Administrator maintains a crime policy in the amount of \$250,000 per occurrence, which provides protection against employee dishonesty, forgery or fraudulent alteration of securities, and electronic and computer crime exposures, which include losses due to transfer, payment or delivery of funds as a result of fraudulent input, preparation or modification of computer instructions, data or fraudulent electronic transmissions or communications. It protects against errors and omissions committed by employees of the Administrator in the course of their performance of professional services. Under the Distribution Plan, at no time will there be funds under the custody and control of the Administrator that exceed the amount covered by insurance. Documentation has been provided to the assigned Commission staff to support the foregoing representations.

D. Duties of Administrator

10. The Administrator will be responsible for, among other things, overseeing the administration of the Distribution Fund, obtaining accurate mailing information for potential Claimants, preparing accountings, cooperating with the Tax Administrator in providing the information necessary to accomplish the income tax compliance, distributing money from the Distribution Fund to Eligible Claimants in accordance with

the Distribution Plan, and setting up and staffing a call center to address potential Claimant questions or concerns regarding the Distribution.

11. The Administrator will ensure that sufficient amounts are withheld from the Distribution Fund to satisfy any tax liability. The Administrator will ensure that the Tax Administrator's fees and reimbursable costs are paid.

E. Appointment of Tax Administrator

12. The Commission has appointed Damasco & Associates LLP as the Tax Administrator of the Distribution Fund. See Order Appointing Tax Administrator (Exchange Act Release No. 61045, Nov. 20, 2009). The Administrator will cooperate with the Tax Administrator providing any information necessary for income tax compliance by the Fair Fund and any other tax-related work for the Fair Fund that is assigned to the Tax Administrator by the Commission staff.

13. The tax obligations of the Distribution Fund shall be paid from the interest earned on the Distribution Fund, and if the interest is not sufficient, then from the corpus of the Distribution Fund.

III. DEFINED TERMS

14. "Claimants" shall mean those individuals and entities, or their lawful successors, who held shares in one or more of the Value Line Funds during the Relevant Period.

15. "Disbursements" shall mean the payments made to Eligible Claimants as approved by the Commission.

16. "Distribution Fund" shall mean the \$43,705,765 in disgorgement, prejudgment interest, and civil money penalties paid by VLI.

17. "Eligible Claimants" are those Claimants the Administrator determines to be entitled to receive Disbursements from the Distribution Fund. An "Eligible Claimant" in no event shall include any of the Respondents or any of the Respondents' affiliates, assigns, creditors, heirs, distributees, spouses, parents, children, or controlled entities.

18. "Net Distribution Fund" shall mean the Distribution Fund plus any interest earned thereon, less all taxes, and all approved costs and expenses of the administration of the Distribution Fund.

19. "Relevant Period" shall mean January 1, 1986, through November 9, 2004.

20. "Value Line Funds" or "Funds" shall be defined to include any of the following: Value Line Fund, Inc.; Value Line Centurion Fund, Inc.; Value Line Special

Situations Fund, Inc.; Value Line Leveraged Growth Investors, Inc.; Value Line Income and Growth Fund, Inc.; Value Line Strategic Asset Management Trust; Value Line Emerging Opportunities Fund, Inc. (formerly Value Line Small Cap Growth Fund, Inc.); Value Line Asset Allocation Fund, Inc.; and Value Line U.S. Multinational Company Fund, Inc.

IV. DISTRIBUTION PLAN AND PROCEDURES

A. Identification and Notification of Potential Claimants

21. Upon approval of the Distribution Plan by the Commission, the Administrator shall take reasonable steps to ascertain the identity and locations of potential Claimants, primarily through a review and analysis of transfer agent records provided to the Administrator and other records indicating names and addresses of shareholders of the Value Line Funds from various years of the Relevant Period for which records are available.

22. The Administrator will seek to contact those potential Claimants, inform them of the eligibility requirements for participation in the Distribution Fund, and explain how to make a claim.

23. The Administrator also will publish notices describing the Distribution Fund and eligibility requirements for participation at least twice in a national publication. The first notice will occur within 10 days of the initial notice mailing and the second within 45 days of the initial notice mailing. The Administrator will also issue a press release at least twice through a newswire service pursuant to the same deadlines to ensure the information will appear on financial news websites concurrently with publication.

24. Furthermore, the Administrator will provide notice of the Distribution Fund via a case-specific website, ValueLineFairFund.com (the "Distribution Fund Website"), in addition to providing the same information and an electronic link to the case-specific website at the Administrator's website, abdataclassaction.com. The Distribution Fund Website and the Administrator's case page on its site will provide a copy of the Distribution Plan, eligibility requirements for participation in the Distribution Fund, a claim form, and the deadline for filing claims. The Commission retains the right to review and approve any material posted on the websites.

25. An email address of info@ValueLineFairFund.com will be listed in the notice and claim form as well as on the Distribution Fund Website and the Administrator's website in order for potential Claimants to make inquiries.

26. The Administrator shall establish a toll-free phone number for potential Claimants to call and listen to prerecorded messages or to speak to a live claims administrator during its regular business hours.

27. The Administrator will also mail notices to the Administrator's list of banks, brokers, and other nominees ("BBNs") that may have records of their clients (the "Beneficial Owners") holding Value Line Funds in their portfolios during the Relevant Period, and request that BBNs provide lists of these Beneficial Owners and their addresses to the Administrator so that these Beneficial Owners may be advised of the eligibility requirements and how to make a claim.

B. Claims Process

28. Within 45 days after this Distribution Plan is approved the Administrator shall provide written notice by First-Class Mail, postage prepaid, to persons and/or entities that have been identified as potential Claimants informing them of the Distribution Fund.

29. The notice shall generally describe the distribution process as set forth in the Distribution Plan, explain how to obtain a copy of the Distribution Plan by written request or from the Distribution Fund Website, and include a claim form prepared by the Administrator.

30. All claims, which must be in writing, shall be accompanied by such documentary evidence as the Administrator deems necessary or appropriate to substantiate the claim, including, but not limited to, evidence of holdings, purchases, and/or sales of any of the Value Line Funds during the Relevant Period. The claims period shall be one hundred fifty (150) days from the date of the first mailing or the first publication of notice, unless extended by the Administrator. No claim shall be accepted if postmarked after such date.

31. The Administrator shall review all claim submissions and determine the eligibility of each submitting Claimant to participate in the Distribution Fund by establishing the number of purchased or sold shares of Value Line Funds during the Relevant Period and applying the Allocation Methodology as noted in Section IV.C. below.

32. Within one hundred eighty (180) days after the close of the claims period, the Administrator shall notify, in writing, all persons whose claims the Administrator rejected for participation in the Distribution Fund. The Administrator shall advise each person in writing of the basis for rejection of their claim.

33. Any person who seeks reconsideration of the denial must so advise the Administrator within twenty (20) days of the postmark date of the initial denial of the claim. Following subsequent review, the Administrator shall notify such person in writing of the Administrator's decision, which shall be final.

34. Claimants will be able to utilize the toll-free phone number to contact the Administrator and ask questions on how to correct their claims. Claimants will also be able to provide additional documentation or make inquiries using the email address noted

above, a dedicated fax number for the case that will be included on all correspondence, or by sending correspondence via U.S. Mail. These contact options will be noted in all written correspondence exchanged with Claimants in regard to their claims.

C. Calculation of Disbursement Amounts

35. The Net Distribution Fund shall be distributed based on the acceptable, timely claim forms submitted by Eligible Claimants as calculated pursuant to the Allocation Methodology, which is described in Paragraph 36.

36. The Allocation Methodology is as follows:

(a) Each Eligible Claimant shall be paid from the Net Distribution Fund their share of losses, plus interest thereon, as calculated by the methodology described in this paragraph.

(b) The Administrator shall determine each Eligible Claimant's allocation of the Net Distribution Fund based on the shares in the Value Line Funds held by the Eligible Claimant at the end of each calendar quarter during the Relevant Period.²

(c) The Administrator will calculate each Eligible Claimant's share of the Net Distribution Fund as follows:

- Calculate the average yearly share holdings in each Fund held by each Eligible Claimant for each calendar year during the Relevant Period using the shares held at each calendar quarter end ("Average Yearly Holdings");
- Calculate the amount of Harm Per Share for each Fund for each year in the Relevant Period by dividing the estimated amount of brokerage commissions overpaid by each Fund for each year during the Relevant Period by the total number of shares in each Fund for each year ("Harm Per Share");³
- Multiply the Harm Per Share for each Fund for each year in the Relevant Period by the Average Yearly Holdings for each Eligible Claimant to

² To the extent records and documents do not exist or are otherwise unavailable to determine shares in the Value Line Funds held by Eligible Claimants as of the end of the Relevant Period, November 9, 2004, reasonable estimates of such share holdings will be made based on available records and documents.

³ The calculation of Harm Per Share will be determined by referencing available records and documents for each Value Line Fund for each year. To the extent such records and documents no longer exist or are otherwise unavailable, Harm Per Share will be calculated based reasonable estimates of the amount of brokerage commissions overpaid by each Value Line Fund for each year during the Relevant Period.

determine an Eligible Claimant's harm for each year for each respective Fund ("Annualized Harm");

- Each Eligible Claimant shall also receive interest on his/her Annualized Harm. The interest paid will be based on the three month T-bill rate published by the U.S. Treasury, compounded annually through the approximate date of the disbursement of the Distribution Fund.
- The total of each year of Annualized Harm plus interest thereon for all shares claimed pursuant to the calculations above is each Eligible Claimant's Disbursement from the Net Distribution Fund.

37. Each Eligible Claimant shall receive his/her allocation of the Net Distribution Fund as determined by Paragraph 36(c) above except that no payment will be issued to any Eligible Claimant whose total Disbursement amount is less than \$10.00 (the "De Minimis Threshold").

V. ADMINISTRATION OF THE DISTRIBUTION PLAN

A. Control of the Distribution Fund

38. The assets of the Distribution Fund are subject to the continuing jurisdiction and control of the Commission. The Distribution Fund is currently deposited at the BPD.

39. The Distribution 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.

40. Upon approval of the Distribution Plan, pursuant to an Escrow Agreement provided by and approved by Commission staff, the Administrator shall establish an escrow account (the "QSF Account") and a Distribution Account at Huntington Bank, in the name of and bearing the taxpayer identification number ("TIN") of the QSF as custodian for the distributees of the Distribution Plan. The name of each account shall be in the following form: Name of QSF, (TIN No.), as custodian for the benefit of investors allocated a Disbursement from the Value Line Plan of Distribution.

41. Prior to receipt of any funds in the QSF Account, the Bank shall provide the Administrator an attestation, in a form acceptable to the Commission staff, that all funds in the QSF Account will be held for this Distribution Plan and that the Bank will not place any lien or encumbrance of any kind upon the funds.

42. All interest earned on the money will accrue for the benefit of Eligible Claimants except as otherwise provided herein. All costs associated with the QSF Account will be paid first from the interest earned on the Distribution Fund, and if the interest is not sufficient, then from the corpus.

43. Huntington Bank will hold the Distribution Fund assets during the check-cashing period. The Administrator shall be the signer on the QSF account, subject to the continuing jurisdiction and control of the Commission.

44. Upon transfer from the BPD, the assets of the Distribution Fund will be held in the QSF Account, separate from Huntington Bank assets, until presentation of a check. Presented checks will be subject to “positive pay” controls before they are honored by Huntington Bank, at which time funds will be transferred from the QSF Account to the Distribution Account to pay the approved checks.

45. The Administrator shall authorize the Bank to provide account information to the Tax Administrator, including providing duplicate statements for the QSF Account. The Administrator shall use the assets and earnings of the Distribution Fund held in the QSF Account to provide payments to Eligible Claimants and to provide the Tax Administrator with assets to pay tax liabilities and tax-compliance fees and costs.

46. Any funds in the QSF Account shall be invested in instruments backed by the full faith and credit of the U.S. Government, including a AAA-rated U.S. Treasury money market fund that directly invests 100% in short-term U.S. Treasury securities and obligations, provided however, that the money market mutual funds’ investments in short term U.S. Treasury securities will not be made through repurchase agreements or other derivative products.

B. Procedures for Distributing the Distribution Fund

47. In order to distribute funds, the Administrator will compile and submit a validated list of payees (including multiple identifiers such as name, address, or social security or taxpayer identification numbers) and the payment amounts 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 the Administrator. The validation will state that the list was compiled in accordance with the Distribution Plan and provides all information necessary to make payment to each Eligible Claimant whose Disbursement meets the De Minimus Threshold.

48. Upon receipt and review of the validated list, and upon approval by the Commission, the Commission staff will direct the release of funds to the QSF Account based upon the validated list and representation by the Administrator that the checks or electronic transfers will be issued within five (5) business days. Upon the release of the funds, the Bank shall promptly deposit the funds into the QSF Account. The Administrator will then use its best efforts to mail and/or transmit Disbursement checks or wire transfers within five business days of the release of the funds into the QSF Account. All efforts will be coordinated to keep the time between the receipt of the funding and the transmittal process at a minimum.

49. All checks shall be issued by A.B. Data from the account set up with Huntington Bank. All checks shall bear a stale date of one hundred and twenty (120)

days from the date of issue. Checks that are not negotiated within the stale date shall be voided, and the Bank shall be instructed to stop payment on those checks, except as provided below.

50. All payments shall be preceded or accompanied by a communication that includes, as appropriate, (a) a statement characterizing the Disbursement; (b) a description of the tax information reporting and other related tax matters; (c) a statement that checks will be void after one hundred and twenty (120) days; and (d) contact information for the Administrator, to be used in the event of any questions regarding the Disbursement (the “Disbursement Letter”). Any such information letter or other mailing to recipients characterizing their Distributions shall be submitted to the assigned Commission staff for review and approval. Disbursement checks, on their face or in the accompanying mailing, will clearly indicate that the money is being distributed from a Fair Fund for the investors of Value Line established by the SEC.

51. Electronic transfers or “wire transfers” may be utilized to transfer funds in accordance with the approved Disbursement amounts to filers of claims on behalf of twenty (20) or more beneficial owners. Wire transfers will be initiated by the Administrator using a two-party check and balance system.

52. The Administrator shall utilize the Bank’s “positive pay” system to control Distributions by check from the Distribution Account. The positive pay system provides protection against fraud arising from counterfeit or amount-altered checks. The positive pay system will require, at a minimum, confirmation by the Bank that all checks presented for payment match the identifiers and amounts on the validated list prior to payment of the presented obligation.

53. The Administrator will continue to provide customer support and communications programs utilizing the same toll-free number included in the notice and claim form as well as posting additional information on the Distribution Fund Website throughout fund administration.

C. Procedures for Handling Returned or Un-Cashed Checks

54. The Administrator is responsible for accounting for all payments and transactions related to the Distribution Fund, including any checks that expire un-cashed. The Administrator is responsible for researching and reconciling all returned items due to non-delivery, insufficient addresses, and/or any other deficiencies and shall issue new checks where appropriate.

55. In cases where an Eligible Claimant is unable to endorse a Disbursement check as written (e.g., name changes as a result of divorce, IRA custodian changes, or recipient is deceased) and the Eligible Claimant or his/her/its lawful representative requests the reissuance of a Disbursement check in a different name, the Administrator will request, and must receive, documentation to support the requested change. The Administrator will review the documentation to determine the authenticity and propriety

of the change request. If such change request is properly documented, the Administrator will issue an appropriately redrawn check to the requesting party.

56. Any Eligible Claimant that contacts the Administrator to request reissue of his/her/its check shall be required to wait until the initial 120-day stale date has passed for re-issue unless the original check is returned to the Administrator.

57. If any physical check is returned as “undeliverable,” the Administrator will undertake an address update search for the Eligible Claimant(s), through various proprietary databases using Social Security number reverse append processing to locate the most up-to-date address on file, within fourteen (14) business days after receipt of such returned check. The Administrator will mail a new physical check to the last known address, if any, obtained through such database search. If such physical check is not negotiated by its 120-day stale date, that check shall be voided and the Administrator shall instruct Huntington Bank to delete the check from the register.

58. If any money remains in the Distribution Fund 120 days after the date of issue, the Administrator shall make reasonable efforts to contact Eligible Claimants who have failed to negotiate any checks over \$50.00 (other than physical checks returned as “undeliverable”) and take appropriate action to re-issue any such checks as needed. If any checks remain un-cashed 180 days after the date of issue, the Administrator shall void all such checks.

59. A residual within the Fair Fund will be established for any amounts remaining after all assets have been disbursed. The residual may include funds reserved for future taxes and related expenses, amounts from checks that have not been cashed, amounts from checks that were not delivered or accepted upon delivery, and tax refunds. Any funds remaining in the residual after the final accounting is approved by the Commission shall be paid to the Commission for transfer to the United States Treasury.

D. Procedures for Handling Disputes

60. Disputes shall be limited to the calculation of the Disbursement amount to Eligible Claimants. Procedures for determining and reconsideration of a claimant’s eligibility to receive a Disbursement from the Fair Fund are outlined in Paragraphs 31-33 above. All disputes must be submitted in writing along with any supporting documentation to the Administrator. All disputes must be submitted within forty-five (45) days of the date a check is issued or a wire transfer is initiated. Following an investigation of the dispute, including a review of the written dispute and any supporting documentation, within thirty (30) days of receipt of the dispute the Administrator shall notify the person submitting the dispute of the Administrator’s resolution of the dispute, which shall be final. This procedure shall be set forth in the Disbursement Letter accompanying and/or attached to the check.

E. Accounting

61. Once the Distribution Fund has been transferred from the BPD to Huntington Bank, the Administrator will file an accounting with the Commission staff during the first ten (10) days of each calendar quarter on a standardized accounting form provided by the Commission staff. The Administrator will file an accounting of all monies earned or received and all monies spent in connection with the administration of the Distribution Plan. Upon final payment of the funds to Eligible Claimants pursuant to the procedures described above, all of the taxes and fees having been paid, and any remaining funds having been transferred to the U.S. Treasury, the Administrator will submit a final accounting to the Commission staff on a standardized accounting form provided by the Commission staff for approval by the Commission prior to termination of the Distribution Fund and discharge of the Administrator.

F. Termination of the Distribution Fund

62. The Fair Fund shall be eligible for termination, and the Administrator shall be discharged, after all of the following have occurred: (1) a final accounting, in an SEC standard accounting format provided by the staff, has been submitted by the Administrator for approval of, and has been approved by, the Commission; (2) all taxes fees, and expenses have been paid; and (3) any amount remaining in the Fair Fund has been received by the Commission. When the Commission has approved the final accounting, the staff shall arrange for the transfer of any amount remaining in the Fair Fund to the U.S. Treasury, and shall seek an order from the Commission to approve the termination of the Fair Fund and discharge of the Administrator.

G. Amendments

63. The Administrator shall take reasonable and appropriate steps to distribute the Distribution Fund according to the Distribution Plan. The Administrator will inform the Commission staff of any changes needed in the Distribution Plan. Upon agreement with Commission staff, the Administrator may implement immaterial changes to the Distribution Plan to effectuate its general purposes. If a change is deemed to be material by the Commission staff, Commission approval is required prior to implementation by amending the Distribution Plan, which may be done upon the motion of any party or the Administrator or upon the Commission's own motion.

64. For good cause shown, the Commission staff may extend any of the procedural deadlines set forth in the Distribution Plan.