

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

Securities Exchange Act of 1934
Release No. 63904 / February 14, 2011

Administrative Proceedings
File No. 3-11696

In the Matter of

**RS Investment Management, Inc., RS
Investment Management, L.P.,
G. Randall Hecht and Steven M. Cohen,

Respondents.**

**ORDER DISCHARGING FUND
ADMINISTRATOR AND TERMINATING
FAIR FUND**

On October 6, 2004, RS Investment Management, Inc., and RS Investment Management, L.P. (collectively "RS") consented to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to 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, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order"), which directed, among other things, that RS pay disgorgement of \$11.5 million and a civil money penalty of \$13.5 million. The Order further established a Fair Fund to provide for the distribution of these payments and required that RS retain an independent distribution consultant ("IDC") to develop a plan for distributing the \$25 million to shareholders in the mutual funds affected by the market timing (the "RS Funds").

On May 14, 2007, the Securities and Exchange Commission (the "Commission") issued a Notice of Proposed Distribution Plan and Opportunity for Comment (Exchange Act Release No. 55753) pursuant to Rule 1103 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. 201.1103. The Commission received comments and, on August 8, 2007, the Commission approved the proposed Plan as modified (Exchange Act Release No. 56222). The Plan provided for the distribution of the Fair Fund to injured investors according to the methodology set forth in the Plan.

On April 14, 2008, the Commission issued an order directing disbursement of the Fair Fund consisting of a total of \$30,622,346.47. Beginning in April 2008, a total of \$26,970,432.59 was disbursed through wires or checks to injured investors, and on November 19, 2009, the Commission issued an order directing disbursement in the amount of \$3,611,743 to the RS mutual funds harmed by market timing trading activity in proportion to the portion of overall harm each fund suffered. An amount of \$142,673.08 in residual funds remains.

A Final Accounting of the Fair Fund was submitted pursuant to Rule 1105(f) of the Commission's Rules on Fair Fund and Disgorgement Plans. The Final Accounting was approved by the Commission. Pursuant to the Final Accounting, \$142,673.08 in residual funds is authorized to be transferred to the U.S. Treasury.

Accordingly, IT IS ORDERED that the Fair Fund is terminated.

IT IS FURTHER ORDERED the Fund Administrator, Boston Financial Data Services, Inc., is discharged.

By the Commission.

Elizabeth M. Murphy
Secretary