On August 30, 2011, the Commission issued an order appointing A.B. Data, Ltd. as the fund administrator in this matter.\(^1\) On August 16, 2013, the Commission issued an Order Approving Modified Plan and Setting Fund Administrator Bond Amount.\(^2\) The Modified Plan of Distribution (“Modified Plan”) provides for the distribution of over $100 million collected from Respondents to injured investors in five Morgan Asset Management funds according to the methodology set forth in the Modified Plan. The Commission’s 2013 order set the bond amount at $100,300,000, the amount of the Fair Fund. Under the Modified Plan, the bond premium is to be paid by the Respondents Morgan Asset Management, Inc. and Morgan Keegan & Company, Inc.\(^3\) Following a second disbursement that took place in August 2016, there is currently a balance of approximately $162,000 remaining in the Fair Fund.

The distribution of funds to injured investors has been completed. The Fund Administrator has advised the Commission staff that it is preparing a final accounting. The term of the original bond has come to an end and future bond premiums will be due. Counsel for Regions has requested that the Commission reduce the bond amount to match the approximate remaining balance of the Fair Fund. The bonding company, Hartford Fire Insurance Company, has indicated it is willing to reduce the bond to the current balance of $162,000 and, at the same time, it will continue to act as surety and honor any future covered claims on the original bond.

\(^3\) Regions Financial Corporation (“Regions”) was the ultimate parent of Respondents at the time of the aforementioned orders and assumed responsibility for payments of expenses thereunder.
that arose during the period covered by the bond. In the event that acts giving rise to any claim on the bond occurred prior to the execution of the bond rider reducing the bond, the applicable limit of liability shall be $100,300,000. Under these circumstances, the staff has concluded that there is no need to require a bond greater than the funds now at risk. The staff has requested that the Commission set the bond amount that the administrator is required to have going forward to $162,000.

Therefore, in accordance with Rule 1105(c) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1105(c), it is hereby ORDERED that the bond amount required for A.B. Data, Ltd. going forward is $162,000.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁴

Brent J. Fields
Secretary

⁴ 17 C.F.R. § 200.30-4(a)(17).