

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85044 / February 4, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-15641

In the Matter of

GLG PARTNERS, INC.

and

GLG PARTNERS, L.P.,

Respondents.

**ORDER AUTHORIZING THE TRANSFER
OF REMAINING FUNDS AND ANY
FUTURE FUNDS RETURNED TO THE
FAIR FUND TO THE U.S. TREASURY,
DISCHARGING FUND ADMINISTRATOR,
CANCELING ADMINISTRATOR'S BOND,
AND TERMINATING THE FAIR FUND**

On December 12, 2013, the Commission issued an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”)¹ against GLG Partners, Inc. and GLG Partners LP (collectively, the “Respondents”).

The Order found, among other things, that the Respondents failed to design and maintain adequate internal controls related to the valuation of fund assets, on the basis of which fee revenues were calculated and recorded. As a result of GLG's deficient valuation policies and procedures, the monthly valuation for a particular asset in its fund was overstated by approximately \$160 million during the period from November 1, 2008 through November 30, 2010. This led to inflated or excess management and administration fees remitted to the Respondents totaling approximately \$7,766,667. The Commission ordered the Respondents to pay a total of \$8,954,346 in disgorgement, prejudgment interest, and civil money penalties to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, so the penalties, along with the disgorgement and interest, collected could be distributed to harmed investors (the “Fair Fund”).

On May 23, 2014, the Commission issued an order appointing Boston Financial Data Services, Inc. as the Fund Administrator of the Fair Fund and setting the Fund Administrator's bond in the amount of \$8,954,346.²

¹ Exchange Act Rel. No. 71050 (Dec. 12, 2013).

² Order Appointing Fund Plan Administrator and Setting Administrator Bond Amount, Exchange Act Rel. No. 72247 (May 23, 2014).

On September 19, 2014, the Commission published a Notice of Proposed Plan of Distribution and Opportunity for Comment,³ pursuant to Rule 1103 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. §201.1103. No comments were received, and subsequently, the Plan of Distribution (the "Plan") was approved on October 24, 2014.⁴

The Plan stated that monies from the Fair Fund would be distributed to those injured investors identified by Commission staff during its investigation of the underlying securities violation that paid inflated or excessive management and administrative fees as a result of the Respondents' conduct. On December 21, 2015, the Commission issued an order directing the disbursement of \$8,406,000.00 from the Fair Fund to eligible clients in accordance with the Plan, of which \$7,502,597.28 was negotiated. An amount of \$1,301,599.97 remains as residual funds.

Paragraph 17 of the Plan provides that the Fair Fund will be eligible for termination, and the Fund Administrator can be discharged, after: (1) the final accounting has been submitted and 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.

Staff has verified that all taxes, fees, and expenses have been paid, and the Commission is in possession of the remaining Fair Fund monies. A final accounting, which has been submitted to the Commission for approval as required by Rule 1105(f) of the Commission's Rules on Fair Fund and Disgorgement Plans and as set forth in the Plan, is now approved.

Accordingly, IT IS ORDERED that:

- A. The \$1,301,599.97 remaining in the Fair Fund and any future funds returned to the Fair Fund, shall be transferred to the U.S. Treasury;
- B. The Fund Administrator's bond is cancelled;
- C. The Fund Administrator, Boston Financial Data Services, Inc., is discharged; and
- D. The Fair Fund is terminated.

By the Commission.

Brent J. Fields
Secretary

³ Exchange Act Rel. No. 73155 (Sept. 19, 2014).

⁴ Order Approving Plan of Distribution, Exchange Act Rel. No. 73423 (Oct. 24, 2014).