

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63993 / March 1, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-13714

In the Matter of	:	
	:	
Ark Asset Management Co., Inc.	:	ORDER APPROVING
	:	DISTRIBUTION PLAN AND
Respondent.	:	APPOINTING A PLAN
	:	ADMINISTRATOR

On September 29, 2010, the Commission issued an Order Making Findings and Imposing Sanctions Pursuant to Section 203(k) of the Investment Advisers Act of 1940 (“Order”). *In the Matter of Ark Asset Management Co., Inc.*, Investment Advisers Act Rel. No. 3091; Admin. Proc. File No. 3-13714 (September 29, 2010). The Commission found that between August 2000 and December 2003 (the “Relevant Period”), Ark, which was a registered investment adviser, engaged in fraudulent trade allocation practices – “cherry-picking”- by favoring Ark’s proprietary accounts over the accounts of advisory clients in the allocation of securities. The Commission also found that Ark violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 204, 206(1), 206(2) and 207 of the of the Investment Advisers Act of 1940 and Rules 204-1(a)(2) and 204-2(a)(3) thereunder. The Commission ordered Ark to pay \$19.8 million in disgorgement that “in view of the limited assets available in the Ark estate ... [was] deemed satisfied in full by the payment of \$750,000.”

On January 6, 2011, the Commission issued a “Notice of Proposed Plan of Distribution and Opportunity for Comment” (“Notice”) in connection with this proceeding pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103 (Exchange Act Release No. 63666).

This Notice advised interested parties that they could obtain a copy of the proposed plan of distribution in this proceeding (“Distribution Plan”) by printing a copy from the Commission’s public website or by submitting a written request to Neal Jacobson, Sr. Trial Counsel, United States Securities and Exchange Commission, 3 World Financial Center, New York, NY 10281.

The Notice also advised that all persons desiring to comment on the Distribution Plan could submit their views, in writing, no later than 30 days after the date of the Notice, to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-1090; by using the Commission’s Internet comment form; or by sending an e-mail to rule-comments@sec.gov. The Commission received no comments on the Distribution Plan.

The Distribution Plan provides for distribution of the \$750,000 in disgorgement paid by Ark Asset Management Co., Inc., less any fees and costs of administration. The proposed plan provides for distribution of the monies to certain former advisory clients of Ark Asset Management Co., Inc. previously identified by the Commission staff.

The Division of Enforcement requests that the Commission approve the Distribution Plan as proposed. The Division also requests that the Commission approve the appointment of Neal Jacobson, Sr., Trial Counsel in the Enforcement Division, as the Plan Administrator, as proposed in the Distribution Plan.

The Commission finds that the Distribution Plan provides for an appropriate distribution of the monies paid by Respondent Ark Asset Management Co., Inc. pursuant to the Order.

Accordingly, IT IS HEREBY ORDERED, pursuant to Rule 1104 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1104, that the Distribution Plan is approved.

IT IS FURTHER ORDERED, pursuant to Rule 1105 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1105, that Neal Jacobson is appointed as the Plan Administrator in accordance with the terms of the Distribution Plan and that, in accordance with Rule 1105(c), 17 C.F.R. § 201.1105(c), no bond is required since the Plan Administrator is a Commission employee.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy
Secretary