UNITED STATES OF AMERICA BEFORE THE SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934 Release No. 52437 / September 15, 2005

ADMINISTRATIVE PROCEEDING File No. 3-11449

In the Matter of	:	
	:	ORDER AUTHORIZING
	:	DISBURSEMENT OF FUNDS
	:	FROM FAIR FUND TO PAY
Van der Moolen Specialists, USA, LLC,	:	ESTIMATED TAXES
	:	
	:	
Respondent.	:	

I.

FACTS

1. On March 30, 2004, the Securities and Exchange Commission ("Commission") issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15(b)(4) and 21C of the Securities Exchange Act of 1934 ("March 30 Order") against Van der Moolen Specialists, USA, LLC ("VDMS"). The March 30 Order directed VDMS, among other things, to pay disgorgement in the amount of \$34,926,613 and a civil penalty in the amount of \$22,748,491. Pursuant to the March 30 Order, VDMS was permitted to pay the amount of the civil penalty and post-judgment interest thereon in installments.

2. The March 30 Order further directs that the civil penalty shall be added to a fair fund to be distributed pursuant to a distribution plan drawn up by an administrator. In accordance with the provisions of the March 30 Order, on April 7, 2004, VDMS made payments totaling \$45,775,104 to the Commission, comprised of \$34,926,613 in disgorgement and \$10,848,491 in civil penalty. Further, in accordance with the provisions of the March 30 Order, VDMS has made five installment payments to date: \$2,137,390.16 on June 28, 2004; \$2,106,592.37 on September 23, 2004; \$2,082,935.62 on December 21, 2004; \$2,058,672.83 on March 24, 2005; and \$2,034,947.84 on June 23, 2005. VDMS is required to make one final installment payment, pursuant to the March 30 Order, on or before September 21, 2005.

3. On October 13, 2004, the Commission issued an Order Supplementing Prior Order, Creating a Fair Fund, Appointing Heffler, Radetich & Saitta L.L.P. as Fund

Administrator, and Directing the Transfer of Funds ("October 13 Order"). Among other things, the October 13 Order created a fair fund with respect to the payments made by VDMS ("Fair Fund"), and directed the transfer of funds held at the U.S. Treasury into an escrow account established for the Fair Fund for investment in short-term U.S. Treasury securities prior to disbursement to injured customers. The escrow account was established at Citizens Bank of Pennsylvania, which is acting as the escrow agent in the matter.

4. On April 15, 2005, the Commission issued an Order Authorizing Disbursement of Funds from Fair Fund to Pay Estimated Taxes for the first quarter of 2005. On June 14, 2005, the Commission issued an Order Authorizing Disbursement of Funds from Fair Fund to Pay Estimated Taxes for the second quarter of 2005.

5. Heffler, Radetich & Saitta L.L.P. has notified the staff that, based on the estimated earnings of the Fair Fund during the third quarter of 2005, an estimated tax payment in the amount of \$272,800.00 is due from the Fair Fund on or before September 15, 2005.

6. Quarterly payments of the Fair Fund's estimated tax liabilities will be required until the fund's tax filing and payment obligations end.

II.

In view of the foregoing, it is ORDERED that:

1. The escrow agent shall promptly make a payment to the U.S. Treasury in the amount of \$272,800.00 out of the Fair Fund in satisfaction of the Fair Fund's estimated federal tax liability for the third quarter of 2005.

2. The escrow agent is hereby authorized, in the future, to pay, upon the submission of adequate supporting documentation by Heffler Radetich to the escrow agent and the Commission staff at least 30 days prior to the date on which the estimated tax payment is due, or as soon as is practicable, the estimated tax liability of each Fair Fund by a check drawn on or a wire transfer from such Fair Fund. Such estimated tax payments shall come first from any earnings or interest in the relevant Fair Fund, and second, if necessary, from the principal of such Fair Fund.

By the Commission.

Jonathan G. Katz Secretary