

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12238**

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**In the Matter of**

**BEAR, STEARNS & CO., INC. and**  
**BEAR, STEARNS SECURITIES CORP.,**

**Respondents.**

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**PLAN OF DISTRIBUTION**

## I. BACKGROUND

### A. Description

1. This Plan of Distribution (“Plan” or “Distribution Plan”) proposes a methodology for distributing to investors \$250 million (plus accumulated interest net of tax liabilities) paid by Bear, Stearns & Co., Inc. (“BS&Co.”) and Bear, Stearns Securities Corp. (“BSSC”) (collectively, “Respondents”) in settlement of administrative proceedings concerning findings of late trading and deceptive market timing practices in the trading of mutual funds.<sup>1</sup>

2. On March 16, 2006 the Respondents consented to the entry of an Order by the Securities and Exchange Commission (“SEC” or “Commission”),<sup>2</sup> without admitting or denying the Order’s findings. The Order addressed activity between 1999 and 2003 and found, among other things, that the Respondents “facilitated a substantial amount of late trading and deceptive market timing” as a broker-dealer<sup>3</sup> and a clearing firm.<sup>4</sup> The Order stated, “At BS&Co., certain brokers in the Private Client Services Division (“PCS”) facilitated illegal mutual fund trading by knowingly processing large numbers of late trades for certain market timing customers, predominantly large hedge funds, and by helping market timing hedge funds evade detection by mutual funds that did not want market timing business.”<sup>5</sup> The Order found that BSSC cleared all of these trades for customers of the PCS brokers, as well as “trades for prime brokerage customers (*i.e.*, hedge funds that cleared trades directly through BSSC) and for customers of its correspondent firms (*i.e.*, introducing brokers that cleared customer trades through

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<sup>1</sup> The merger between The Bear Stearns Companies Inc. and JPMorgan Chase & Co. will not affect the ongoing implementation of, and payment for, the Distribution Plan.

<sup>2</sup> Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934, and Sections 9(b) and 9(f) of the Investment Company Act of 1940, March 16, 2006 (Release 33-8668) (“the Order”).

<sup>3</sup> BS&Co. is an introducing broker-dealer whose customers buy and sell securities. Order at ¶ 1.

<sup>4</sup> BSSC is a clearing firm that clears trades for BS&Co., other introducing brokers, and prime brokerage customers. Order at ¶ 1.

<sup>5</sup> Order at ¶ 2.

BSSC.)”<sup>6</sup> According to the Order, the Respondents facilitated market timing by assigning multiple account numbers to customers so that mutual funds could not identify them as customers whose trades they had previously blocked,<sup>7</sup> and by assigning customers multiple registered representative numbers and alternative branch codes to avoid detection by mutual funds.<sup>8</sup> The Order concluded that the “Respondents’ conduct benefited their customers and customers of correspondent firms by enabling those customers to generate hundreds of millions of dollars in profits from these trading tactics at the expense of mutual fund shareholders.”<sup>9</sup>

3. The Order required the Respondents to pay, on a joint and several basis, disgorgement in the amount of \$160 million and civil money penalties in the amount of \$90 million, for a total payment of \$250 million. The Order called for the establishment of a Fair Fund for these monies, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002.<sup>10</sup> Pursuant to the Order, the Respondents retained the services of an Independent Distribution Consultant (“IDC”) not unacceptable to the staff of the Commission. The Order required the IDC to submit a Distribution Plan to the SEC to distribute “the \$250 million in disgorgement and penalty, and any interest or earnings thereon, according to a methodology developed in consultation with Respondents and acceptable to the staff of the Commission.”<sup>11</sup>

4. In accordance with the terms of the Order, Respondents have provided all information requested for its review, including providing access to their files, books, records, and personnel.<sup>12</sup> Respondents are responsible for all costs and expenses associated with the development and implementation of the Distribution Plan, including the compensation of the IDC and of a tax administrator, and the payment of any distribution or consulting service fees that may be reasonably required by the IDC.<sup>13</sup> Tax

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<sup>6</sup> Order at ¶ 3.

<sup>7</sup> Order at ¶ 2.

<sup>8</sup> Order at ¶¶ 2-3.

<sup>9</sup> Order at ¶ 5.

<sup>10</sup> Order at § IV.D.

<sup>11</sup> Order at ¶¶ 202-203.

<sup>12</sup> Order at ¶ 201.

<sup>13</sup> Order at ¶ 201.

liabilities will be paid according to Rule 1105(e), *i.e.*, first from the interest earned by the Fund, and if the interest is not sufficient, then from the corpus.

5. This submission serves as the proposed Plan of Distribution as required by the March 16, 2006 Order. The Bear Stearns Fair Fund (“Fund”) was established under Section 308(a) of the Sarbanes-Oxley Act to provide for the ultimate distribution of the disgorgement and penalty funds to investors who were harmed by the conduct described in the Order. This Fund has been deposited at the U.S. Treasury Bureau of Public Debt for investment in government obligations. Other than interest from these investments, it is not anticipated that the Fund will receive additional funds. The Plan of Distribution for Fund monies is subject to approval by the Commission.

#### **B. Appointment of Independent Distribution Consultant**

6. Paragraph 201 of the Order requires Respondents to retain the services of an Independent Distribution Consultant not unacceptable to the staff of the Commission in this matter. Accordingly, Respondents have retained Francis E. McGovern, Esq., a professor of law at Duke University, to be the IDC for this matter.<sup>14</sup>

7. As the IDC, Professor McGovern has been asked to develop a Distribution Plan for the distribution of Fund monies according to a methodology developed in consultation with Respondents and acceptable to the staff of the Commission. In completing this engagement, Professor McGovern has been guided by the terms of the Order. Professor McGovern has developed this Plan in consultation with other Fund Family IDCs retained to implement distributions in other market timing cases, Commission staff, Respondents, and COMPASS LEXECON, an economics consulting firm retained by him in connection with this matter.

8. Under this Plan, Fund monies will be allocated to Eligible Mutual Funds<sup>15</sup> according to a formula designed to capture the proportional dilution in such mutual funds

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<sup>14</sup> Professor McGovern is widely published on the topics of alternative dispute resolution and case settlement. Professor McGovern also has broad experience advising courts and parties on settlement mechanisms and fund distribution.

<sup>15</sup> See Defined Terms, Sec. II at ¶ 9.

relative to the dilution in all Eligible Mutual Funds. In other words, the total dilution ascribed to all Eligible Mutual Funds will be calculated, and, then, each Eligible Mutual Fund will be allocated its percentage of such total dilution amount. Allocations of Fund monies will be made from the \$250 million settlement amount paid by Respondents, together with accrued interest less any taxes payable on the interest accrued by the Fund.

## II. DEFINED TERMS

9. This Distribution Plan makes use of a number of terms with specific meanings and references. Following is a list of definitions for the specific terms used herein.

“Approval Date” means the date on which the Commission institutes an administrative order approving this Distribution Plan.

“Commission” or “SEC” means the United States Securities and Exchange Commission.

“Contemporaneous Accountholders” means shareholders of Eligible Mutual Funds that held shares during all or part of the Relevant Period.

“Distributable Amount” means: (i) \$250 million *plus* (ii) interest, if any, actually earned on the foregoing amounts through the end of the month prior to the Approval Date *less* (iii) any federal, state, or local taxes imposed on the interest. Amounts sufficient to cover any taxes owed on the interest earned on the Settlement Amount as of the time of the distributions under the Plan shall be set aside and not distributed. Any earnings on the amounts set aside to pay applicable taxes will be transferred to the U.S. Treasury.

“Distribution to Contemporaneous Accountholders” means the method of distribution employed to distribute Fund monies to Contemporaneous Accountholders of certain Eligible Mutual Funds.

“Eligible Mutual Funds” means those mutual funds that may have been affected by the activity described in the Order during all or part of the Relevant Period and are eligible to receive a payment of at least \$1,000 from the Fund.

“Escrow Bank” means Deutsche Bank.

“Fund Family IDC” means the Independent Distribution Consultant retained in connection with another Commission proceeding to effectuate a distribution from a market timing settlement fund to accountholders.

“IDC” or “Fund IDC” means Professor Francis E. McGovern, Esq., the Independent Distribution Consultant retained by the Respondents pursuant to the terms of the Order.

“LIFO” means last-in, first-out, an accounting convention used in this Distribution Plan.

“Order” means the Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934, and Sections 9(b) and 9(f) of the Investment Company Act of 1940 against Respondents.

“Plan” means this Plan of Distribution as developed by the Independent Distribution Consultant and approved by the Commission.

“Relevant Period” means January 4, 1999 through October 29, 2003, the period of the conduct described in the Order.

“Respondents” means Bear, Stearns & Co., Inc. and Bear, Stearns Securities Corp.

“Settlement Amount” means the \$250 million paid by the Respondents to the Commission in connection with this Order.

“Tax Administrator” means Damasco & Associates LLP, a certified public accounting firm, appointed by the Commission to administer taxes for the Fund in this proceeding.

“Transaction Database” means the database provided by Respondents to the IDC containing information regarding all mutual fund transactions executed by BSSC during the Relevant Period.

### **III. ADMINISTRATION OF THE PLAN**

#### **A. Appointment of an Administrator for the Fund**

10. The Commission’s Order requires that the IDC submit the Distribution Plan “for the administration and distribution of disgorgement and penalty funds pursuant to Rule 1101 [17 C.F.R. §201.1101] of the Commission’s Rules Regarding Disgorgement and Fair Fund Plans.”<sup>16</sup> Accordingly, the IDC has proposed the retention of Rust

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<sup>16</sup> Order at ¶ 206.

Consulting, Inc., a services company well experienced in the distribution and administration of market timing fair funds, to act as the Fund Administrator (“Fund Administrator”). The Respondents will pay all fees and costs associated with the administration of the Plan of Distribution, including the fees of the Fund Administrator.

11. The Fund Administrator, working with the IDC, will be responsible for, among other things: assisting in the administration of the Fund, obtaining accurate mailing information for accountholders,<sup>17</sup> preparing accountings, cooperating with the tax administrator in providing the information necessary to accomplish the income tax compliance, distributing money from the Fund to accountholders in accordance with this Plan, and setting up and staffing a call center to address accountholder questions or concerns regarding the distribution.

12. While the distribution is being implemented, the Fund Administrator will file an accounting during the first ten days of each calendar quarter. The Fund Administrator will submit a final accounting for approval of the Commission prior to termination of the Fund and discharge of the Fund Administrator.

13. In lieu of bond, the Fund Administrator maintains and will continue to maintain insurance until termination of the Fund. The current primary insurer, Illinois Union Ins. Co. (ACE USA), is a company which, as of its most recent renewal, was rated (“A+ r XV”) by A.M. Best. The Fund Administrator maintains and will continue to maintain until termination of the Fund, errors and omissions coverage in the amount of \$10,000,000. It has a policy limit of \$10,000,000 per occurrence and an overall limit of \$10,000,000 during the life of the policy. The Fund Administrator also maintains an additional \$10,000,000 in excess errors and omissions coverage which is provided by Lloyd’s of London. Lastly, the Fund Administrator maintains a crime policy in the amount of \$5,000,000 per occurrence, which provides protection against employee dishonesty, forgery or fraudulent alteration of securities, and electronic and computer crime exposures, which include losses due to transfer, payment or delivery of funds as a

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<sup>17</sup> The Fund Administrator will undertake accountholder identification and administrative support efforts only where distributions are made to Contemporaneous Accountholders.

result of fraudulent input, preparation or modification of computer instructions, data or fraudulent electronic transmissions or communications. Under the Plan of Distribution, at no time will there be funds under the custody and control of the Fund Administrator. Documentation of coverage has been provided to Commission staff for review and that coverage has been deemed “not unacceptable.”

14. Because (1) the Fund Administrator will have no custody, and only limited control, of the Fund; (2) the Fund will be held by the U.S. Treasury Bureau of Public Debt until immediately before transmittal of checks or electronic transfers to eligible investors; (3) upon transfer from the U.S. Treasury, funds will be held in an escrow account, separate from Escrow Bank assets, until presentation of a check or electronic transfer, at which time funds will be transferred to a controlled distribution account; (4) presented checks or electronic transfers will be subject to “positive pay” controls before honored by the Escrow Bank; and (5) both the Escrow Bank and the Fund Administrator will maintain, throughout this process, insurance and/or a financial institution bond that covers errors and omissions, misfeasance, and fraud, the Plan proposes that the requirement that a bond be posted pursuant to Rule 1105(c) be waived by the Commission for good cause shown.

#### **B. Appointment of the Tax Administrator**

15. The Commission has appointed Damasco & Associates LLP as the Tax Administrator (“Tax Administrator”) of the Fund.<sup>18</sup> The IDC, Fund Administrator, and Respondents will cooperate with the Tax Administrator in providing information necessary to accomplish the income tax compliance, ruling, and advice work assigned to the Tax Administrator by the Commission. The Tax Administrator shall be compensated by the Respondents.

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<sup>18</sup> See *Order Appointing Tax Administrator*, SEC Release No. 34-53625, April 10, 2006.



### **C. Control of the Fund**

16. Pursuant to the Order, on April 7, 2006, Respondents paid a total of \$250 million to the SEC. The Fund is currently deposited at the U.S. Treasury Bureau of Public Debt.

17. The Fund constitutes a Qualified Settlement Fund (“QSF”) under Section 468B(g) of the Internal Revenue Code, 26 U.S.C. §468B(g), and related regulations, 26 C.F.R. §§1.468B-1 through 1.468B-5. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission.

## **IV. DISTRIBUTION METHODOLOGY AND PROCEDURES**

### **A. Objective of the Plan**

18. The Order provides that the IDC shall “develop a Distribution Plan for the distribution of the \$250 million in disgorgement and penalty, and any interest or earnings thereon, according to a methodology developed in consultation with Respondents and acceptable to the staff of the Commission.”<sup>19</sup> Accordingly, this Plan is designed to allocate Fund monies among those harmed by the conduct described in the Order during the Relevant Period. This allocation will be based upon an analysis that will reflect an estimate of the proportionate dilution in value of each of the Eligible Mutual Funds during the Relevant Period relative to the dilution in all Eligible Mutual Funds during that period. For example, if the total dilution calculated for all Eligible Mutual Funds during the Relevant Period is \$100, and the dilution calculated for a particular Eligible Mutual Fund during that period is \$10, then the Eligible Mutual Fund will be allocated 10% of the Distributable Amount as its Fund payment.

19. This Plan is designed to compensate those harmed by the practices described in the Order and facilitated by Respondents. While other Fund Family IDCs have access to detailed information regarding the accountholders within their respective fund families, such information is not similarly available to this IDC or the Respondents. Therefore, under this Plan, in the great majority of cases, money will be allocated to the

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<sup>19</sup> Order at ¶ 202.

asset bases of Eligible Mutual Funds. In some instances, where practicable and feasible, the IDC may use an existing Fund Family IDC or a Fund Administrator to distribute monies directly to Contemporaneous Accountholders of Eligible Mutual Funds.

20. The IDC believes that the methodology described in this Plan is a fair and reasonable way in which to allocate Fund monies to those Eligible Mutual Funds harmed by the deceptive market timing and late trading practices, as are described more fully in the Order. The realized profits method will be used to allocate Fund monies to each Eligible Mutual Fund.

## **B. Methodology Used to Develop the Distribution Plan**

### Transaction Database

21. Respondents provided the IDC with a database containing information regarding all mutual fund transactions (the “Transaction Database”) processed by BSSC during the Relevant Period. The Transaction Database identifies for each transaction: the account number, customer name associated with the account number, branch number, registered representative number, the mutual fund traded, date of trade, number of shares traded, and the price at which the trade was executed.

22. All data provided to the IDC and any analyses produced by the IDC are strictly confidential and held exclusively by the IDC and those retained to assist the IDC.

### Identifying Market Timers

23. According to the Order, the following three groups of Respondents’ customers engaged in late trading and/or deceptive market timing through trades during the Relevant Period:

- a) Certain customers of BSSC’s correspondent firms;
- b) Certain of BSSC’s prime brokerage customers; and
- c) Certain customers of the PCS brokers.

24. To estimate the effect of the alleged market timing transactions on mutual funds, the IDC identified those customers of the Respondents who fell within the categories described above (collectively, the “Described Market Timers”).

25. The following types of accounts were identified and included in the dilution analysis (“Included Accounts”):

- a) Certain accounts associated with the correspondent broker-dealer firms described in the Order as having a customer engaged in deceptive market timing or late trading at any point during the Relevant Period and identified through branch number, account number and account name;
- b) Accounts of the prime brokerage firms which entered an order for processing in BSSC’s Mutual Fund Routing System after 4 PM at any point during the Relevant Period; and
- c) Accounts associated with any of the registered representative numbers of those PCS brokers described in the Order as having a customer engaged in either late trading or deceptive market timing during the Relevant Period.

26. All transactions associated with the Included Accounts of the market timers were identified in the transaction database. Customers of correspondent brokers and prime brokerage customers were identified based on branch number, account number, and account name. Customers of PCS brokers were identified based on the registered representative numbers. Overall, the IDC identified a total of approximately 1,200 customer accounts of correspondent brokers, 200 prime brokerage customer accounts, and 560 customer accounts of PCS brokers. During the Relevant Period, these Included Accounts were involved in transactions with approximately 3,000 different mutual funds.

#### Estimating Dilution Losses

27. This Plan uses dilution to measure the harm caused by the trades of the Included Accounts. Dilution is the difference in the wealth of shareholders in a mutual fund with market timer trades compared to the same fund without those trades. “In other

words, dilution is the amount of money necessary to return shareholders to where they would have been *but for* the flows from market timers.”<sup>20</sup>

28. As previously indicated, the allocation of Fund monies to mutual funds is based upon an estimate of the relative dilution in the value of the Eligible Mutual Funds. The amount of dilution that results from market timing activity is directly related to how a fund manager invests the influx of cash flows received from the market timers. A precise estimate of dilution losses would require access to information about how individual fund managers invested the cash received from individual market timers, *i.e.*, whether the fund managers invested the market timers’ cash on the same day or held the cash in reserve. However, this information is not available to the Respondents or to the IDC. In this case, because such information cannot be obtained, it was determined after careful review that the realized profits measure provides a fair and equitable method for allocating Fund monies consistent with the guidelines set forth in the Order.

29. The dilution analysis was conducted in the aggregate for all trades of the Included Accounts in order to allocate Fund monies to Eligible Mutual Funds. Due to inadequacies inherent in the data, it was not economically practicable to identify precisely which accounts or trades were associated with deceptive market timing or late trading as described in the Order.

#### Calculating Realized Profits

30. The implementation of the realized profits approach requires an adoption of several rules and conventions in order to ensure uniform treatment of transaction data and an accurate calculation of dilution under the Plan. As described previously, all the transactions associated with the Included Accounts for the Relevant Period were identified in the Transaction Database.

31. In order to calculate actual profits realized by the Included Accounts, each sale made by an Included Account in a particular mutual fund was matched to a purchase by the same account to create a “roundtrip” transaction. “Sells” were matched with

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<sup>20</sup> See Greene, Jason T. and Ciccotello, Conrad S., *Mutual Fund Dilution from Market Timing Trades* (September 27, 2004) at pp. 5-6.

“buys” using a last-in, first-out (“LIFO”) convention. The LIFO convention makes the assumption that sells are processed in chronological order. Therefore, each sell was matched to the buy that immediately preceded it. One sell might have been matched to multiple buys, and many sells could have been matched to one buy to adjust for quantity differences. LIFO is generally accepted as a reasonable method to match purchases and sales to create roundtrips which are then used to calculate profits, and was thereby adopted for this Plan.

32. After examining the roundtrip transactions and conducting additional research, it was necessary to impose some basic limits to exclude certain market timer trades from the profits analysis. Market timers profited by moving money in and out of mutual funds quickly. The benefits of any market timing activity would be diluted over an extended holding period. Due to these facts, it was practical to limit the roundtrip market timer transactions included in the profits calculation based on the length of the roundtrip. Therefore, the Plan included in the profits analysis only those roundtrips that occurred within 30 days.

33. The profits of the Included Accounts must also reflect any applicable dividends and capital gain distributions that accrued to these accounts. Therefore, in conducting the profit analysis, such dividends and distributions, if any, were added to the profits received by these Included Accounts during that roundtrip.

34. Profits on a roundtrip for an account were calculated as the difference between the selling price and the purchase price multiplied by the number of shares traded in each roundtrip, plus any applicable dividends and capital gain distributions accrued during that roundtrip. The total dilution for each mutual fund was calculated by aggregating the profits (and losses) earned for all roundtrips by the Included Accounts in that mutual fund during the Relevant Period. If some accounts suffered losses on roundtrips, the losses were netted against the profits earned on other roundtrips during the Relevant Period. Profits of accounts were netted against losses of other accounts if and only if the roundtrips were in the same mutual fund.

35. The total dilution of Eligible Mutual Funds estimated based on the realized profits approach exceeds the Distributable Amount, so each Eligible Mutual Fund will receive its pro rata share of the Distributable Amount.

### **C. Implementation of the Distribution Plan**

36. The process of calculating the distributions to be made and of actually causing those distributions to occur will be implemented according to steps outlined herein.

37. As described in the previous section, estimates of dilution were calculated based on a realized profits approach, and payments were determined for each Eligible Mutual Fund. Because there are over 1,000 Eligible Mutual Funds, and the size of payments to virtually all of these mutual funds are extremely small relative to the number of Contemporaneous Accountholders within the mutual fund, distributions to these individual accountholders were determined not to be practicable or feasible. Therefore, over 95% of the payments to Eligible Mutual Funds will be deposited directly into each mutual fund's asset base.

38. In certain instances, based on a number of factors, the IDC, in his discretion, may determine that distribution to Contemporaneous Accountholders of an Eligible Mutual Fund is practicable and feasible. These factors include, but are not limited to, the existence of a Fund Family IDC, the size of the payment to a mutual fund, availability of Contemporaneous Accountholder data, the percentage of mutual fund Contemporaneous Accountholders who would receive a payment, the time that it would take to make a distribution to Contemporaneous Accountholders, and cost estimates associated with a distribution to Contemporaneous Accountholders.

39. Accordingly, the following two distribution methods will be implemented in order to achieve a fair, equitable, reasonable, and timely means by which to distribute Fund monies.

*Distributions to the Asset Base of Eligible Mutual Funds*

40. As mentioned above, for almost all of the contemplated distributions to Eligible Mutual Funds, it is not practicable or feasible to undertake distributions to Contemporaneous Accountholders. In these instances, the Eligible Mutual Fund will receive its share of Fund monies, and these monies will be deposited directly into the mutual fund's asset base.

41. In order to implement this method of distribution, the fund family will be notified that the allocated monies are designated solely for investors and not to be used for administrative or management fees. In addition, the fund family will be required to certify that the money will be deposited into the mutual fund asset base as intended.<sup>21</sup> To reduce the administrative costs of distribution, the minimum distribution from the Fund has been set at \$1,000. Thus, Eligible Mutual Funds are those mutual funds eligible to receive a payment of at least \$1,000 from the Fund. Monies allocated to funds that fall below the minimum threshold of \$1,000 will be added back to the Distributable Amount. These mutual funds are not considered Eligible Mutual Funds, and these monies will be allocated to the Eligible Mutual Funds per the methodology outlined in paragraph 18.

42. *Redesignation.* If a fund family cannot be determined for a particular Eligible Mutual Fund, then the fund ownership will be examined to determine eligibility for distribution. If the mutual fund, for example, has merged with another mutual fund or has been purchased by another entity, the entity that controls the mutual fund will become the designated party. The controlling entity will be treated as if it had owned or controlled the mutual fund at the time of the market timing activity. If a mutual fund no longer exists or mutual fund ownership cannot be determined, then neither the mutual fund nor the investors in the fund will be eligible for compensation. Monies allocated to such funds will be added back to the Distributable Amount. These mutual funds will no longer be considered Eligible Mutual Funds, and these monies will be allocated to the remaining Eligible Mutual Funds per the methodology outlined in paragraph 18.

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<sup>21</sup> If a fund family fails to certify that Fund monies will be deposited into their Eligible Mutual Funds' asset bases within the deadline specified by the Fund Administrator, then these mutual funds will no longer be considered Eligible Mutual Funds, and these Fund monies will be allocated to the remaining Eligible Mutual Funds per the methodology outlined in paragraph 18.

43. The IDC or Fund Administrator shall cooperate with the Tax Administrator to provide necessary Forms W-9 or W-8BEN, to determine withholding status, if any, and to accomplish any withholding required.

44. Once the Tax Administrator has completed verification of tax withholding amounts and any additional request for funds, the list of payees will be submitted to the Commission staff who will obtain approval for the disbursement. After the issuance of the order directing disbursement, payments will be made to Eligible Mutual Funds according to a schedule determined after consultation with Commission staff.

**Distributions to Contemporaneous Accountholders**

45. In certain instances, as discussed above, distributions to Contemporaneous Accountholders may be feasible and practicable. This may be accomplished through either (a) cooperation with a mutual fund family's assigned IDC ("Fund Family IDC"), or (b) via direct distribution from the Bear Stearns Fair Fund to Contemporaneous Accountholders in an Eligible Mutual Fund.

**Distribution to Contemporaneous Accountholders Through an Existing Fund Family IDC**

46. Where a fund family has an assigned IDC related to market timing conduct, and in the interest of minimizing the administrative costs associated with accountholder distributions and the confusion associated with multiple distributions from different fair funds, where appropriate and feasible, the IDC will consult with the Fund Family IDC to determine whether distribution of Bear Stearns Fair Fund monies to individual accountholders in the Eligible Mutual Funds within the fund family is practicable and feasible.

47. An examination will then be made to determine the extent of overlap between the mutual funds, the relevant time periods, and dilution estimates among the mutual funds covered by the Fund Family IDC and the Bear Stearns Fair Fund. If there is sufficient concurrence or overlap, and it is determined that the Fund Family IDC is able to accept and distribute applicable Fund monies at a reasonable cost and within a



reasonable time frame, then all of the Fund monies attributable to that fund family will be transferred to the Fund Family IDC for distribution to Contemporaneous Accountholders within the fund family.

48. In cases where a sufficient concurrence or overlap exists for a smaller subset of mutual funds, and the Fund Family IDC is able to direct monies to Contemporaneous Accountholders within these specific mutual funds under this IDC's direction, then monies for these mutual funds will be transferred to the Fund Family IDC for distribution to Contemporaneous Accountholders.

49. A list of payments to existing Fund Family IDCs will be submitted to the Commission, where possible, within 30 days of the Approval Date, but no later than 60 days from the Approval Date. Payments will be made to Fund Family IDCs within one week of approval from the Commission.

*Distribution to Contemporaneous Accountholders from the Bear Stearns Fair Fund using an Existing Fund Family IDC's Allocation Methodology*

50. If there exists sufficient concurrence or overlap, but the Fund Family IDC is unable to distribute Fund monies to Contemporaneous Accountholders, the Fund Family IDC will be asked to provide a list of the fund family's fair fund beneficiaries and associated payment amounts. If possible at a reasonable cost and within a reasonable time frame, the Bear Stearns Fair Fund payment to this fund family will then be allocated by the IDC to the list of beneficiaries in the same proportion as the Fund Family IDC's allocation of funds. This allocation may be implemented by the IDC for all funds covered by the Fund Family IDC or for a smaller set of funds depending on which funds are covered by the Fund Family IDC's plan and which are covered by the Bear Stearns Fair Fund.

51. In the event the IDC undertakes a Contemporaneous Accountholder distribution in a Fund Family using the Fund Family IDC's allocation methodology, as described above, it is proposed that the IDC and the Respondents engage the fund administrator previously approved for that fund family to perform the administrative

services set forth in paragraphs 68 through 70 of the Plan and any ancillary, related services to distribute Fund monies to Contemporaneous Accountholders in qualifying funds<sup>22</sup> within that fund family. The previously approved fund administrator for the fund family is hereby appointed and shall be entitled to all of the protections, rights and obligations of a “Fund Administrator” as set forth in the SEC’s Rules on Fair Fund and Disgorgement Plans. A validated list of payees (Contemporaneous Accountholders) under this process, where possible, will be submitted to the Commission within 90 days of the Approval Date, but no later than five months from the Approval Date. Distributions to Contemporaneous Accountholders will be completed within 30 days of the Commission staff obtaining an order directing disbursement.

*Distribution to Contemporaneous Accountholders from the Bear Stearns Fair Fund using this Plan’s Allocation Methodology*

52. If the option to distribute Fund monies through a Fund Family IDC is not available, then the IDC will determine whether the monies to be allocated to a fund family are sufficient to justify distributions to Contemporaneous Accountholders within the fund family. If, after an evaluation of the factors listed in paragraph 38, it is determined that a distribution to Contemporaneous Accountholders is feasible and practicable, then the following series of steps is contemplated using the Fund Administrator to distribute Fund monies to Contemporaneous Accountholders for qualifying funds within the fund family:

- a. The Fund Administrator will contact the fund family to collect relevant share ownership information for individual accounts during the Relevant Period within each qualifying mutual fund slated to receive payment from the Fund.<sup>23</sup>
- b. Once the relevant data have been collected, the Fund Administrator will load and verify the integrity of these data on their systems. Share ownership data will then be provided to the IDC’s staff, and the IDC’s staff will calculate the payment amounts for each of these investor

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<sup>22</sup> In some instances, certain mutual funds within a fund family may be slated to receive payments too small to warrant distributions to individual accountholders.

<sup>23</sup> See “Gathering Information for Distribution to Contemporaneous Accountholders,” paragraphs 55-56, for further details on the data collection efforts required for distribution to individual accounts.

accounts. The Fund Administrator will then confirm the IDC's calculations by programming and implementing an allocation algorithm specified by the IDC.

- c. After payment amounts have been verified, the Fund Administrator will compile updated address information for each investor account and contract with a vendor to print and mail individual checks. Any returned checks will be traced for updated contact information, reissued and remailed.
- d. In addition to the above efforts, the Fund Administrator will establish a toll-free call center and web site to answer investor questions and for miscellaneous administrative requests.

*De Minimis Threshold for Distributions to Contemporaneous Accountholders from the Bear Stearns Fair Fund*

53. A *de minimis* distribution amount for an individual account will be set at \$10. In order to implement this *de minimis* distribution amount, the IDC will apply a gross-up formula. The gross-up formula requires that the distributions to individual accounts be ranked in descending order by size of the contemplated distribution. The IDC will then calculate the total amount of distributions below \$10 (the "*De minimis* Amount"). Beginning with the largest distribution less than \$10 and proceeding through the list, the IDC will assign a distribution of \$10 to each account until the *De minimis* Amount is depleted and then all remaining individual accounts below \$10 will be set to \$0.

54. If for any reason, distribution of Fund monies cannot be made to Contemporaneous Accountholders using a Fund Family IDC, or a validated list of payees<sup>24</sup> has not been submitted to Commission staff within a time period of five months after the Approval Date, the allocated amounts will be deposited to the asset base of the Eligible Mutual Fund to which the allocation relates within six months of the Approval Date.

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<sup>24</sup> A validated list of individual account payees will be submitted to the Commission staff when a distribution to Contemporaneous Accountholders is undertaken with the assistance of the Fund Administrator.

### Gathering Information for Distribution to Contemporaneous Accountholders

55. A data set that contains all relevant Contemporaneous Accountholder data will be compiled for each Eligible Mutual Fund slated for distribution to Contemporaneous Accountholders by the Fund Administrator. The accountholders' database will include account data for direct purchase accounts, transparent omnibus accounts, opaque omnibus accounts, and retirement accounts. The database will also incorporate information related to known closed accounts, and will contain information sufficient to allow for computation of distributions for all eligible accounts. With the assistance of the relevant fund family or transfer agent, the database will be reviewed for accuracy.

56. It is necessary to identify each type of investor that may have held a relevant mutual fund account. Mutual fund investors purchase and sell shares through several distribution channels. For the purposes of this Plan, accountholders are identified by the type of distribution channel used to buy and sell funds. Each accountholder is treated separately in the Distribution Plan, as follows:

- a. *Direct Purchase Accountholders.* Some mutual fund investors purchase their shares directly from the fund via telephone or computer, and submit their order information to the fund's primary third party transfer agent or an affiliated fund servicing company. The transfer agent acts as the master record keeper for the fund, keeping track of shares sold and redeemed, along with a record of the cash flowing into and out of the fund. For direct purchase accounts, the identity of the accountholder may be known to the fund family.
- b. *Transparent Omnibus Accountholders.* Other mutual fund investors purchase their shares through intermediaries such as broker-dealers, banks, and retirement plans. These financial intermediaries form a network to process and record mutual fund transactions. Under an omnibus account arrangement, the financial intermediary is the shareholder of record and holds securities on behalf of the customer. The financial intermediary provides the transfer agent with daily customer transaction data on the number of shares purchased and sold by all customers on an aggregate basis. The omnibus account is transparent if there is access to records that identify the actual beneficial owners.
- c. *Opaque Omnibus Accountholders.* An opaque omnibus account is identical to that of a transparent omnibus arrangement, except that the

fund family does not have access to the records that identify the actual owners of the account. The financial intermediary does not provide any specific customer information, such as a Tax Identification Number, to the transfer agent in connection with an opaque account.

- d. *Retirement Accountholders.* A large portion of mutual fund investors purchase their shares through tax-advantaged retirement plans, such as 401(k) accounts. About one-third of all mutual fund shares are held through retirement accounts.<sup>25</sup>

#### Distribution to Omnibus Accounts

57. Under the IDC's direction, all omnibus accounts will be categorized according to whether they are opaque or transparent.<sup>26</sup> The Fund Administrator will identify all known opaque omnibus accounts with contemplated distributions of \$1,000 or more. The Fund Administrator will then approach all known opaque omnibus intermediaries with contemplated distributions of \$1,000 or more. The Fund Administrator and the IDC will exercise commercially reasonable efforts to obtain from those intermediaries all data necessary to allow the intermediary accounts to be treated as though they are transparent accounts held at the fund family, or allow the omnibus accountholder to distribute Fund monies per the options detailed under paragraph 60, options (b) and (c).

If an opaque omnibus accountholder elects to have the Fund Administrator distribute Fund monies as outlined under paragraph 60, option (a), the Fund Administrator will request the name, address, Tax Identification Number and account information for all underlying shareholders of the omnibus account. Omnibus accountholders might consider this information commercially sensitive. The Fund Administrator shall maintain in confidence information identifying shareholders and any other information relating to sub-accountholders obtained from any omnibus accountholder pursuant to this Distribution Plan, and shall not share such information with Respondents. The Fund Administrator, however, may share such information with

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<sup>25</sup> See Investment Company Institute, *Mutual Funds and the U.S. Retirement Market in 2002, Fundamentals*, at 1-2 (June 2003).

<sup>26</sup> As transparent omnibus accountholders provide information regarding the underlying shareholders of the omnibus account, the underlying shareholders will be treated as if they were Direct Purchase Accountholders, and additional outreach efforts to the transparent omnibus accountholder may not be required.

its service providers or other parties to the extent necessary to perform its duties under this Distribution Plan, and Fund Administrator shall require that such service providers and other parties maintain such information in confidence.

58. The Respondents will reimburse opaque omnibus accountholders for actual and commercially reasonable expenses incurred in gathering and providing the necessary data, subject to the limitation that the amount of reimbursement will not exceed the contemplated distribution. The Fund Administrator will maintain records of efforts made to obtain the cooperation of opaque omnibus accountholders and of the responses to these efforts.

59. No later than 90 days after Commission approval of the Plan, and after the expenditure of reasonable efforts to obtain these data from opaque omnibus account holders, where all determinations as to reasonableness will be made by the IDC, the data obtained from the omnibus accountholders will be added to the database. Under the IDC's direction, the database will be reviewed for accuracy.

#### Distribution Options for Opaque Omnibus Accountholders

60. All omnibus accountholders who respond to the Fund Administrator will receive a further communication that describes steps the recipient should take in light of its status as an omnibus accountholder. For omnibus accounts held at registered broker-dealers that receive distributions of \$1,000 or more these options are:

- a. Provision of all necessary data to the Fund Administrator so that the Fund Administrator can apply an allocation methodology to the amount that has already been set to be distributed to that account. Any omnibus accountholder recipient who elects this option must notify the Fund Administrator within 30 days of the mailing of the letter describing these alternatives and must provide the necessary data within 60 days. Under this option, the Fund Administrator would perform the required calculations and distribute the payments to the beneficial shareholders of the omnibus account within 90 days of receipt of these data.
- b. Provision of all necessary data to the Fund Administrator so that the Fund Administrator can apply an allocation methodology to the amount that has already been set to be distributed to that account. Any omnibus accountholder recipient who elects this option must notify the Fund

Administrator within 30 days of the mailing of the letter describing these alternatives and must provide the necessary data within 60 days. Under this option, the Fund Administrator would perform the required calculations, but the omnibus accountholder recipient would remain responsible for the actual distribution. The Fund Administrator will provide the omnibus accountholder recipient with a beneficiary payment list within 60 days of obtaining the necessary data. The omnibus accountholders electing this alternative must certify in writing to the IDC that they will distribute the proceeds to beneficiaries in accordance with this Plan within 30 days from receipt of the beneficiary payment list, or they will not receive any proceeds.

- c. The omnibus accountholder recipient will apply an allocation methodology specified by the IDC to the amount that has already been set to be distributed to that account. Any omnibus accountholder recipient that elects this option must notify the Fund Administrator within 30 days of the mailing of the letter describing these alternatives. Under this option, the omnibus accountholder would perform the required calculations and would be responsible for the actual distribution. The Fund Administrator will provide the allocation methodology within 30 days of notification by the omnibus accountholder. Omnibus accountholders electing this alternative must certify in writing to the IDC that they will distribute the proceeds to beneficial shareholders in accordance with this Plan within 90 days from receipt of the allocation methodology, or they will not receive any Fund proceeds.

In addition, omnibus accountholders that elect to distribute Fund monies as detailed under options (b) or (c) above, must certify that any checks will state on their face, "Void After 90 Days," and any proceeds from these checks or any undistributed Fund monies will be returned by the omnibus accountholder by wire or check to the Fund Administrator for deposit into the Distribution Fund escrow account.

61. All other opaque omnibus accountholders, receiving distributions less than \$1,000, will receive a distribution payment. The options for distribution are:

- a. Application of any distribution technique that the recipient, in the exercise of its reasonable discretion, deems to be consistent with its fiduciary or other legal obligations.
- b. Distribution of the proceeds to beneficiaries in the ratios that would be determined by an allocation methodology specified by the IDC within 90 days of receipt of the allocation methodology. Accountholders who elect this alternative will be provided with information sufficient to perform the necessary calculations.

- c. Return the check or the credit to the Fund Administrator or simply elect not to cash the check.

62. If an opaque omnibus accountholder due to receive a distribution payment of \$1,000 or more (1) fails within a reasonable time to respond to the Fund Administrator's request for information identifying shareholders or (2) refuses to provide the Fund Administrator with the requested information, the amount of Fair Fund monies allocated to such omnibus accountholder shall be treated as "undistributed" for purposes of this Distribution Plan, and processed pursuant to paragraph 74 below.

#### Distributions to Retirement Plans/Accounts

63. "Retirement Plan" as used in this Plan means an employee benefit plan, as such plans are defined in section 3(3) of ERISA, 29 U.S.C. § 1002(3), which is not an Individual Retirement Account (IRA), whether or not the plan is subject to Title I of ERISA. Under this Plan, IRA retirement plans are treated as "transparent omnibus accounts," and distributions to IRAs will be made in accordance with paragraphs 57 through 59 of this Plan.

64. Assets of Retirement Plans are held in trust by a trustee, and the trust is the legal owner of the assets. This Plan requires the plan fiduciaries and intermediaries, as defined in Department of Labor Field Assistance Bulletin No. 2006-01, April 19, 2006 (the "Field Assistance Bulletin"), of Retirement Plans to distribute the monies received in accordance with their legal, fiduciary, and contractual obligations and consistent with guidance issued by the Department of Labor, including, but not limited to, the Field Assistance Bulletin within 90 days of receipt of the allocation from the Fund.

65. An intermediary to one or more Retirement Plans may allocate the distribution it receives pursuant to this Plan among eligible Retirement Plans participating in an omnibus account administered by such intermediary according to a method specified by the IDC or on behalf of the IDC or according to the average share or dollar balances of the Retirement Plans' investment in Eligible Mutual Funds during the Relevant Period, provided, however, that for the purposes of such allocation each Retirement Plan itself (and not the individual plan participants) shall be treated as the beneficial owner.



The fiduciary of a Retirement Plan receiving a distribution may distribute it pursuant to one of the following four alternatives:

- a. Retirement Plan fiduciaries may allocate the distribution to current and former participants in the Retirement Plan using the methodology specified by the IDC. The IDC will make this methodology available to Retirement Plan fiduciaries.
- b. Retirement Plan fiduciaries may allocate the distribution *pro rata* (based on total account balance) among the accounts of all persons who are currently participants in the Retirement Plan (whether or not they are currently employees).
- c. Retirement Plan fiduciaries may allocate the distribution *per capita* among the accounts of all persons who are currently participants in the Retirement Plan (whether or not they are currently employees).
- d. To the extent that none of the three preceding alternatives is administratively feasible because the costs of effecting the allocation exceed the amount of the distribution, Retirement Plan fiduciaries may, to the extent permitted by the Retirement Plan, use the distribution amount to pay the reasonable expenses of administering the plan.

In view of, among other things, alternative distribution methodologies available to eligible plan fiduciaries and intermediaries, such intermediaries will not be reimbursed for the costs and expenses associated with the administration of the Distribution Plan.

#### **D. Validation, Approval and Process for Disbursement of Fund Monies**

66. Payments from the Fund will occur in tranches, and for each tranche, in order to distribute funds, the IDC will submit a validated list of payees and the payment amounts to the assigned Commission staff, who will obtain authorization from the Commission to disburse Fund monies pursuant to Rule 1101(b)(6). For example, it is anticipated that the first tranche of payments will be comprised of allocations to Eligible Mutual Funds for deposit to the funds' asset bases or payments to other Fund Family IDCs for distribution to individual accountholders. Additional tranches will be payments to Contemporaneous Accountholders within Eligible Mutual Funds. These payment lists will be submitted to the Commission staff on a rolling basis and after the Approval Date,

but without a date certain to avoid opportunities for arbitrage. The payees and amounts in each list will be validated at the IDC's direction by the Fund Administrator. The validation will state that each payment list was compiled in accordance with the Plan and provides all information necessary to make disbursement to each distributee. Unless otherwise directed by the Commission, the Commission staff will obtain an order directing disbursement that releases funds to the bank account established by the Fund Administrator based upon each validated list and distributions will occur according to timing determined by the Fund Administrator. The Fund Administrator will report to Commission staff, within 30 days of each distribution mailing date, that the distribution has been accomplished.

#### Check Cutting Process

67. All checks shall bear a stale date 90 days from the date of issue. All distributions will be on terms providing that checks not cashed within 90 days after distribution shall be void, and the Escrow Bank shall be instructed to stop payment on those checks or otherwise assure that payment on such checks is prevented.

#### Information Mailing to Accompany Payments

68. All payments shall be preceded or accompanied by a communication that includes, as appropriate: (a) a statement characterizing the distribution; (b) a link to a web site that will provide a description of the tax information reporting and other related tax matters; (c) a statement that checks will be void after 90 days; and (d) the name of a person to contact in the event of any questions regarding the distribution. Any such information letter or other mailing to recipients characterizing their distributions shall be submitted to the assigned Commission staff for review and approval. Distribution checks, on their face, or in the accompanying mailing will clearly indicate that the money is being distributed from the Fair Fund established by the SEC.

#### Support Services for Investors

69. The Fund Administrator will provide customer support and communications programs which will become active at least by the time the first distribution from the Fund occurs. These services will include a toll-free call center for investors of funds who

received individual account distributions, and a website to the public. The Commission staff retains the right to review any material posted on the website.

Procedure for Handling Returned Checks or Electronic Transfers

70. Returned mail and checks will be handled as follows:

- a. All mail returned by the United States Postal Service (“USPS”) for which a new forwarding address has been provided by the USPS will be immediately repackaged and sent to the new address. The database will be updated with the new address. All mail returned by the USPS for the first time, without a new forwarding address, will be coded as returned mail, the check will be voided, and current address information forwarded to a nationally recognized address search service for address research. If a new address is found, that address will be updated to the master database and a new check will be issued. This new check may be issued with a stale date of 30 or 60 days after issuance. If no new address is found, the original check will remain voided. Additional efforts to identify the addresses of recipients will be conducted as is commercially reasonable in the view of the IDC, where the costs of further research and the amount to be distributed will be considered, subject to a presumption that the additional costs of distribution will not exceed the amount to be distributed.
- b. All mail forwarded by the USPS from a second attempt mailing, for which a new forwarding address has been provided by the USPS, will be immediately repackaged and sent to that new address. The master database will be updated with the new address.
- c. All mail returned by the USPS from a second attempt mailing, without a new forwarding address, will be coded as returned mail and the check will be voided. Additional efforts to identify the addresses of recipients will be conducted as is commercially reasonable in the view of the IDC, where the costs of further research and the amount to be distributed will be considered, subject to a presumption that the additional costs of distribution will not exceed the amount to be distributed.

Under the IDC’s direction, the procedure for handling returned checks or electronic transfers will be reviewed.

No Claims-Made Process

71. This Fair Fund is not being distributed according to a claims-made process, and therefore the procedures for making and approving claims are not applicable.

### Provision for Management and Distribution of Fund Monies

72. Upon approval of the Plan, the Fund Administrator shall establish an account at the Escrow Bank, in the name of and bearing the Taxpayer Identification Number of the QSF. Following approval of the Plan, and submission by the IDC of the validated lists of payees and amounts to the Commission staff and all information necessary to make a disbursement to each distributee, and unless otherwise directed by the Commission, the Commission staff shall cause sufficient monies for each payment tranche from the Fund to be deposited in the account established by the Fund Administrator in the name of and bearing the Taxpayer Identification Number of the Qualified Settlement Fund (“QSF account”). The Fund Administrator shall be the signer on the QSF account, subject to the continuing jurisdiction and control of the Commission. The Fund Administrator shall authorize the Escrow Bank to provide account information to the Tax Administrator. The Fund Administrator shall use the assets and earnings of the Fund to provide payments to Fund beneficiaries and to provide the Tax Administrator with assets to pay tax liabilities.

73. The Escrow Bank will hold Fair Fund assets during the check-cashing period and require use of a positive payment system. Once the Fair Fund assets are transferred from the Bureau of Public Debt to the Escrow Bank, they shall be placed in an escrow account which shall invest and reinvest the escrow property in short-term U.S. Treasury securities and obligations, all backed by the full faith and credit of the U.S. Government; provided however, that investments in short-term U.S. Treasury securities will not be made through repurchase agreements or other derivative products. This shall be done pursuant to the terms of an escrow agreement that must be acceptable to the staff of the Commission. When checks are presented for payment by recipients of the distribution, and validated by the Fund Administrator, the exact amount necessary to pay such presented checks shall be transferred from the escrow account into a distribution account bearing the name and taxpayer identification number of the Fair Fund, and validated presented checks shall be paid from this distribution account. For any payment to be made by wire instruction, the appropriate funds will be distributed by the escrow agent from the escrow account directly to the payee in accordance with written instructions provided to the escrow agent by the Fund Administrator. The Escrow Bank

maintains a Financial Institutions (FI) Bond, including errors and omissions coverage with a per occurrence and aggregate limit of 210,000,000 Euro and a bankers blanket bond of 125,000,000 Euro. The primary insurer is Chubb, a company which, as of its most recent renewal, was rated (“A++ XV”) by A.M. Best. The Escrow Bank annually assesses the adequacy of its policy limits through extensive analysis of historical loss data, exposure to loss and internal company controls. The Escrow Bank limits are reviewed annually by the company’s Board of Directors.

#### Termination and Provision for Disposition of Undistributed Funds

74. Upon distribution of the funds, the Fund Administrator shall make arrangement for the final payment of taxes and Tax Administrator fees, and shall submit a final accounting to the Commission. The Distribution Fund shall be eligible for termination after all the following have occurred: (1) the final accounting by the Fund Administrator has been submitted and approved by the Commission, (2) all taxes and fees have been paid, and (3) all remaining funds, including interest earned after the Distributable Amount has been calculated, or any residual, have been transferred to the U.S. Treasury.<sup>27</sup>

75. Commission staff shall seek an order from the Commission to (1) approve the final accounting; (2) approve sending the remaining residual amount to the U.S. Treasury after the final tax payment has been made; and (3) authorize the Secretary of the Commission, upon receipt of notice from the staff assigned to this matter that all funds have been expended, to discharge the Fund Administrator.

### **F. Amendment**

#### Plan Amendments

76. The IDC will inform the Commission staff of any material changes to the Plan, and will obtain approval from the Commission prior to implementation of the changes. If material changes are required, this Plan may be amended following Commission approval.

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<sup>27</sup> Residual monies will include proceeds from checks not cashed by Fund beneficiaries.

77. This Distribution Plan is subject to approval by the Commission, and the Commission retains jurisdiction over the implementation of the Plan.

Submitted by Francis E. McGovern  
on December 1, 2008

Independent Distribution Consultant  
for Bear, Stearns & Co., Inc. and  
Bear, Stearns Securities Corp. Fair Fund

**Bear Stearns Distribution Plan**  
**Eligible Mutual Funds**  
**Appendix A**

Below is a list of Eligible Mutual Funds that may receive a distribution from the Bear Stearns Distribution Fund. This list is based on preliminary calculations and is subject to change. The final list will be based on the exact Distributable Amount, which will be affected by interest earned on the Settlement Amount less taxes paid (or set aside) on such interest, and the current legal status of potentially Eligible Mutual Funds. For example, as noted in the Plan, funds that have been liquidated or cannot be traced are not considered to be Eligible Mutual Funds and will not receive Fund monies.

In the table below, the bolded name refers to the current Fund Family to which each Eligible Mutual Fund belongs. The Fund Family name is followed by the most current name of the Eligible Mutual Fund; the current mutual fund name may be different from the name of the original mutual fund that was affected by the activity described in the Order.

<b>ABERDEEN FUNDS</b>
ABERDEEN SELECT WORLDWIDE FUND
<b>ACCESOR FUNDS</b>
ACCESSOR INTERNATIONAL EQUITY FUND
ACCESSOR MORTGAGE SECURITIES FUND
<b>AIG FUNDS</b>
SUNAMERICA EQUITY FUNDS - SUNAMERICA GROWTH OPPORTUNITIES FUND
SUNAMERICA EQUITY FUNDS - SUNAMERICA INTERNATIONAL EQUITY FUND
SUNAMERICA EQUITY FUNDS - SUNAMERICA NEW CENTURY FUND
SUNAMERICA FOCUSED SERIES INC - FOCUSED 2000 VALUE PORTFOLIO
SUNAMERICA FOCUSED SERIES INC - FOCUSED GROWTH PORTFOLIO
SUNAMERICA FOCUSED SERIES INC - FOCUSED LARGE-CAP GROWTH PORTFOLIO
SUNAMERICA HIGH YIELD BOND FUND
SUNAMERICA US GOVERNMENT SECURITIES FUND
<b>ALGER FUNDS</b>
ALGER MIDCAP GROWTH FUND
ALGER SMALLCAP GROWTH FUND
<b>ALLEGIANT FUNDS</b>
ALLEGIANT BOND FUND
ALLEGIANT GOVERNMENT MORTGAGE FUND
ALLEGIANT INTERNATIONAL EQUITY FUND
ALLEGIANT LARGE CAP GROWTH FUND
ALLEGIANT LIMITED MATURITY BOND FUND
ALLEGIANT MULTI-FACTOR SMALL CAP FOCUSED VALUE FUND
ALLEGIANT MULTI-FACTOR SMALL CAP VALUE FUND
ALLEGIANT SMALL CAP GROWTH FUND
<b>ALLIANCEBERNSTEIN FUNDS</b>
ALLIANCEBERNSTEIN - EUROPEAN GROWTH PORTFOLIO
ALLIANCEBERNSTEIN - EUROPEAN VALUE PORTFOLIO
ALLIANCEBERNSTEIN - GLOBAL GROWTH TRENDS PORTFOLIO
ALLIANCEBERNSTEIN BOND FUND INC - HIGH YIELD FUND
ALLIANCEBERNSTEIN GREATER CHINA '97 FUND INC
ALLIANCEBERNSTEIN GROWTH FUND - ALLIANCEBERNSTEIN GLOBAL TECHNOLOGY FUND INC
ALLIANCEBERNSTEIN GROWTH FUNDS - ALLIANCEBERNSTEIN GROWTH FUND
ALLIANCEBERNSTEIN GROWTH FUNDS - ALLIANCEBERNSTEIN MID-CAP GROWTH FUND
ALLIANCEBERNSTEIN GROWTH FUNDS - ALLIANCEBERNSTEIN SMALL CAP GROWTH PORTFOLIO
ALLIANCEBERNSTEIN INTERMEDIATE BOND PORTFOLIO

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Eligible Mutual Funds  
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ALLIANCEBERNSTEIN INTERNATIONAL GROWTH FUND INC
ALLIANCEBERNSTEIN INTERNATIONAL RESEARCH GROWTH FUND INC
ALLIANCEBERNSTEIN MUNICIPAL INCOME FUND - INSURED NATIONAL PORTFOLIO
ALLIANCEBERNSTEIN MUNICIPAL INCOME FUND - NATIONAL PORTFOLIO
ALLIANCEBERNSTEIN TRUST - ALLIANCEBERNSTEIN FOCUSED GROWTH & INCOME FUND INC
ALLIANCEBERNSTEIN TRUST - ALLIANCEBERNSTEIN INTERNATIONAL VALUE FUND
ALLIANCEBERNSTEIN VALUE FUNDS - ALLIANCEBERNSTEIN GROWTH AND INCOME FUND
ALLIANCEBERNSTEIN WEALTH STRATEGIES - ALLIANCEBERNSTEIN TAX-MANAGED WEALTH PRESER
<b>ALLIANZ FUNDS</b>
ALLIANZ CCM MID-CAP FUND
ALLIANZ GLOBAL INVESTORS VALUE FUND
ALLIANZ OCC GROWTH FUND
ALLIANZ OCC OPPORTUNITY FUND
ALLIANZ RCM INTERNATIONAL GROWTH EQUITY FUND
ALLIANZ RCM TECHNOLOGY FUND
PIMCO HIGH YIELD FUND
PIMCO LOW DURATION FUND/UNITED STATES
PIMCO MORTGAGE-BACKED SECURITIES FUND
PIMCO MUNICIPAL BOND FUND
PIMCO REAL RETURN FUND
PIMCO SHORT-TERM FUND
PIMCO TOTAL RETURN FUND
<b>ALPINE CAPITAL FUNDS</b>
ALPINE INTERNATIONAL REAL ESTATE EQUITY FUND
<b>AMERICAN BEACON FUNDS</b>
AMERICAN BEACON INTERMEDIATE BOND FUND
AMERICAN BEACON INTERNATIONAL EQUITY FUND
AMERICAN BEACON S&P 500 INDEX FUND
<b>AMERICAN CENTURY FUNDS</b>
AMERICAN CENTURY DIVERSIFIED BOND FUND
AMERICAN CENTURY EMERGING MARKETS FUND
AMERICAN CENTURY EQUITY GROWTH FUND
AMERICAN CENTURY GINNIE MAE FUND
AMERICAN CENTURY GLOBAL GROWTH FUND
AMERICAN CENTURY GOVERNMENT BOND FUND
AMERICAN CENTURY HERITAGE FUND
AMERICAN CENTURY INCOME & GROWTH FUND
AMERICAN CENTURY INTERNATIONAL GROWTH FUND
AMERICAN CENTURY SELECT FUND
AMERICAN CENTURY SHORT-TERM GOVERNMENT FUND
AMERICAN CENTURY TAX-FREE BOND FUND
AMERICAN CENTURY VISTA FUND
<b>AMERICAN FUNDS</b>
AMERICAN EUROPACIFIC GROWTH FUND
AMERICAN FUNDS - BOND FUND OF AMERICA/THE
AMERICAN FUNDS - CAPITAL WORLD GROWTH AND INCOME FUND
AMERICAN FUNDS - NEW WORLD FUND
AMERICAN HIGH-INCOME MUNICIPAL BOND FUND
AMERICAN HIGH-INCOME TRUST
AMERICAN INTERMEDIATE BOND FUND OF AMERICA
AMERICAN NEW PERSPECTIVE FUND
AMERICAN US GOVERNMENT SECURITIES FUND
<b>ARIEL FUNDS</b>



**Bear Stearns Distribution Plan**  
**Eligible Mutual Funds**  
**Appendix A**

ARIEL APPRECIATION FUND
ARIEL FUND
<b>ARTISAN FUNDS</b>
ARTISAN INTERNATIONAL FUND
ARTISAN SMALL CAP FUND
<b>ASTON ASSET MANAGEMENT FUNDS</b>
ASTON OPTIMUM MID CAP FUND
ASTON TCH FIXED INCOME FUND
ASTON VEREDUS AGGRESSIVE GROWTH FUND
<b>BARON FUNDS</b>
BARON GROWTH FUND
<b>BB&amp;T FUNDS</b>
BB&T INTERMEDIATE US GOVERNMENT FUND
BB&T INTERNATIONAL EQUITY FUND
BB&T SMALL CAP FUND
<b>BJURMAN FUNDS</b>
BJURMAN BARRY MICRO-CAP GROWTH FUND
<b>BNY FUNDS</b>
BNY HAMILTON INTERMEDIATE GOVERNMENT FUND
BNY HAMILTON SMALL CAP GROWTH FUND
BNY HAMILTON US BOND MARKET INDEX FUND
BNY MELLON INTERNATIONAL APPRECIATION FUND
BNY MELLON INTERNATIONAL FUND
DREYFUS EMERGING LEADERS FUND
DREYFUS FOUNDERS DISCOVERY FUND
DREYFUS FOUNDERS MID-CAP GROWTH FUND
DREYFUS FOUNDERS WORLDWIDE GROWTH FUND
DREYFUS FUND INC/THE
DREYFUS INVESTMENT GRADE BOND FUNDS INC - INTERMEDIATE TERM INCOME FUND
DREYFUS PREMIER CORE BOND FUND
DREYFUS PREMIER EMERGING MARKETS FUND
DREYFUS PREMIER GREATER CHINA FUND
DREYFUS PREMIER INTERNATIONAL EQUITY FUND
DREYFUS PREMIER INTERNATIONAL GROWTH FUND
DREYFUS PREMIER INTERNATIONAL VALUE FUND
DREYFUS PREMIER INTRINSIC VALUE FUND
DREYFUS PREMIER LIMITED TERM HIGH YIELD FUND
DREYFUS PREMIER TECHNOLOGY GROWTH FUND
DREYFUS PREMIER WORLDWIDE GROWTH FUND INC
DREYFUS SHORT-INTERMEDIATE GOVERNMENT FUND
<b>BRANDYWINE FUNDS</b>
BRANDYWINE BLUE FUND
BRANDYWINE FUND INC
<b>BURNHAM FUNDS</b>
BURNHAM FUND
<b>CALAMOS FUNDS</b>
CALAMOS GROWTH FUND
CALAMOS HIGH YIELD FUND
<b>CALVERT FUNDS</b>
CALVERT INCOME FUND
CALVERT NEW VISION SMALL CAP FUND
CALVERT SOCIAL INVESTMENT FUND - BALANCED PORTFOLIO
CALVERT SOCIAL INVESTMENT FUND - BOND PORTFOLIO

**Bear Stearns Distribution Plan  
Eligible Mutual Funds  
Appendix A**

CALVERT WORLD VALUES INTERNATIONAL EQUITY FUND
<b>CAPSTONE FUNDS</b>
STEWART SMALL-MID CAP ENHANCED FUND
<b>COLUMBIA FUNDS</b>
COLUMBIA ACORN FUND
COLUMBIA ACORN INTERNATIONAL
COLUMBIA ACORN INTERNATIONAL SELECT
COLUMBIA BLENDED EQUITY FUND
COLUMBIA COMMON STOCK FUND
COLUMBIA CONSERVATIVE HIGH YIELD FUND
COLUMBIA CORE BOND FUND
COLUMBIA DIVIDEND INCOME FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA ASSET ALLOCATION FUND II
COLUMBIA FUNDS SERIES TRUST - COLUMBIA HIGH INCOME FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA INTERNATIONAL VALUE FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA LARGE CAP CORE FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA MIDCAP VALUE FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA MULTI-ADVISOR INTERNATIONAL EQUITY FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA SHORT TERM BOND FUND
COLUMBIA FUNDS SERIES TRUST - COLUMBIA SMALL CAP GROWTH FUND II
COLUMBIA FUNDS SERIES TRUST - COLUMBIA TOTAL RETURN BOND FUND
COLUMBIA FUNDS SERIES TRUST I - COLUMBIA FEDERAL SECURITIES FUND
COLUMBIA GREATER CHINA FUND
COLUMBIA HIGH YIELD OPPORTUNITY FUND
COLUMBIA INTERMEDIATE BOND FUND
COLUMBIA INTERNATIONAL STOCK FUND
COLUMBIA LARGE CAP GROWTH FUND
COLUMBIA MID-CAP GROWTH FUND
COLUMBIA OREGON INTERMEDIATE MUNICIPAL BOND FUND
COLUMBIA SMALL CAP CORE FUND
COLUMBIA SMALL CAP VALUE I FUND
COLUMBIA STRATEGIC INVESTOR FUND
NATIONS OFFSHORE FUNDS - HIGH YIELD BOND FUND
NATIONS OFFSHORE FUNDS - INTERMEDIATE BOND FUND
NATIONS OFFSHORE FUNDS - INTERNATIONAL VALUE FUND
STEIN ROE DISCIPLINED STOCK FUND
<b>CREDIT SUISSE FUNDS</b>
CREDIT SUISSE INSTITUTIONAL FUND - INTERNATIONAL FOCUS PORTFOLIO
CREDIT SUISSE INTERNATIONAL FOCUS FUND
CREDIT SUISSE MID-CAP CORE FUND
<b>DAVIS FUNDS</b>
DAVIS GOVERNMENT BOND FUND
SELECTED AMERICAN SHARES INC
SELECTED SPECIAL SHARES INC
<b>DELAWARE GROUP FUNDS</b>
DELAWARE DELCHESTER FUND
DELAWARE GROWTH OPPORTUNITIES FUND
DELAWARE INTERNATIONAL VALUE EQUITY FUND
DELAWARE LIMITED-TERM DIVERSIFIED INCOME FUND
DELAWARE TREND FUND
<b>DIREXIONS FUNDS</b>
DIREXION DOW 30 BULL 1.25X FUND
DIREXION SMALL CAP BULL 2.5X FUND

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<b>DODGE &amp; COX FUNDS</b>
DODGE & COX INCOME FUND
DODGE & COX INTERNATIONAL STOCK FUND
<b>DOMINI FUNDS</b>
DOMINI SOCIAL EQUITY FUND
<b>DWS SCUDDER FUNDS</b>
DWS BALANCED FUND
DWS BLUE CHIP FUND
DWS CAPITAL GROWTH FUND
DWS CORE FIXED INCOME FUND
DWS CORE PLUS INCOME FUND
DWS DREMAN HIGH RETURN EQUITY FUND
DWS DREMAN SMALL CAP VALUE FUND
DWS EUROPE EQUITY FUND
DWS GLOBAL OPPORTUNITIES FUND
DWS GLOBAL THEMATIC FUND
DWS GROWTH AND INCOME FUND
DWS HIGH INCOME FUND
DWS HIGH INCOME PLUS FUND
DWS INTERNATIONAL FUND
DWS INTERNATIONAL SELECT EQUITY FUND
DWS INVEST - GLOBAL EX JAPAN USD
DWS INVEST - USD RESERVE USD
DWS JAPAN EQUITY FUND
DWS LARGE CAP VALUE FUND
DWS MANAGED MUNICIPAL BOND FUND
DWS MID CAP GROWTH FUND
DWS SHORT DURATION FUND
DWS SHORT DURATION PLUS FUND
DWS SHORT TERM MUNICIPAL BOND FUND
DWS SMALL CAP GROWTH FUND
DWS STRATEGIC GOVERNMENT SECURITIES FUND
DWS TECHNOLOGY FUND
SCUDDER GLOBAL OPPORTUNITIES - GREATER EUROPE FUND
<b>EATON VANCE FUNDS</b>
EATON VANCE AMT FREE MUNICIPAL BOND FUND
EATON VANCE GLOBAL GROWTH FUND
EATON VANCE GOVERNMENT OBLIGATIONS FUND
EATON VANCE HIGH YIELD MUNICIPALS FUND
EATON VANCE INCOME FUND OF BOSTON
EATON VANCE NATIONAL MUNICIPALS FUND
EATON VANCE SPECIAL EQUITIES FUND
EATON VANCE TAX-MANAGED GROWTH FUND 1.1
EATON VANCE TAX-MANAGED INTERNATIONAL EQUITY FUND
EATON VANCE WORLDWIDE HEALTH SCIENCES FUND
<b>FEDERATED FUNDS</b>
FEDERATED AMERICAN LEADERS FUND INC
FEDERATED BOND FUND
FEDERATED CAPITAL APPRECIATION FUND
FEDERATED FUND FOR US GOVERNMENT SECURITIES
FEDERATED GOVERNMENT INCOME SECURITIES INC
FEDERATED HIGH INCOME BOND FUND INC
FEDERATED HIGH YIELD TRUST

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FEDERATED INTERCONTINENTAL FUND
FEDERATED INTERNATIONAL EQUITY FUND
FEDERATED INTERNATIONAL HIGH INCOME FUND
FEDERATED INTERNATIONAL SMALL-MID COMPANY FUND
FEDERATED KAUFMANN FUND
FEDERATED MAX-CAP INDEX FUND
FEDERATED MDT SMALL CAP GROWTH FUND
FEDERATED MID CAP GROWTH STRATEGIES FUND
FEDERATED MID-CAP INDEX FUND
FEDERATED NEW YORK MUNICIPAL INCOME FUND
FEDERATED STRATEGIC INCOME FUND
IAI INTERNATIONAL FUND
<b>FIDELITY FUNDS</b>
FIDELITY ADVISOR DIVERSIFIED INTERNATIONAL FUND
FIDELITY ADVISOR EMERGING ASIA FUND
FIDELITY ADVISOR EMERGING MARKETS INCOME FUND
FIDELITY ADVISOR EQUITY GROWTH FUND
FIDELITY ADVISOR EUROPE CAPITAL APPRECIATION FUND
FIDELITY ADVISOR GOVERNMENT INCOME FUND
FIDELITY ADVISOR GROWTH & INCOME FUND
FIDELITY ADVISOR HIGH INCOME ADVANTAGE FUND
FIDELITY ADVISOR INTERNATIONAL CAPITAL APPRECIATION FUND
FIDELITY ADVISOR MID CAP FUND
FIDELITY ADVISOR MUNICIPAL INCOME FUND
FIDELITY ADVISOR OVERSEAS FUND
FIDELITY ADVISOR SMALL CAP FUND
FIDELITY ADVISOR WORLD FUNDS BERMUDA LTD - US HIGH INCOME FUND
FIDELITY AGGRESSIVE INTERNATIONAL FUND
FIDELITY ASSET MANAGER 70% FUND
FIDELITY DIVERSIFIED INTERNATIONAL FUND
FIDELITY EUROPE CAPITAL APPRECIATION FUND
FIDELITY EUROPE FUND/UNITED STATES
FIDELITY FREEDOM 2020 FUND
FIDELITY INTERNATIONAL DISCOVERY FUND
FIDELITY MAGELLAN FUND
FIDELITY OVERSEAS FUND/UNITED STATES
FIDELITY SPARTAN US EQUITY INDEX FUND
<b>FIDUCIARY FUNDS</b>
FMA SMALL COMPANY PORTFOLIO
FMI FOCUS FUND
<b>FIFTH THIRD FUNDS</b>
FIFTH THIRD BOND FUND
FIFTH THIRD EQUITY INDEX FUND
FIFTH THIRD INTERNATIONAL EQUITY FUND
FIFTH THIRD SHORT TERM BOND FUND
<b>FIRST AMERICAN FUNDS</b>
FIRST AMERICAN CORE BOND FUND
FIRST AMERICAN HIGH INCOME BOND FUND
FIRST AMERICAN INTERMEDIATE TAX FREE FUND
FIRST AMERICAN INTERNATIONAL FUND
FIRST AMERICAN MID CAP GROWTH OPPORTUNITIES FUND
FIRST AMERICAN SHORT TERM BOND FUND
FIRST AMERICAN SMALL-MID CAP CORE FUND

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FIRST AMERICAN US GOVERNMENT MORTGAGE FUND
<b>FIRST EAGLE FUNDS</b>
FIRST EAGLE GLOBAL FUND
FIRST EAGLE OVERSEAS FUND
<b>FLEX-FUNDS</b>
FLEX-FUNDS - THE DYNAMIC GROWTH FUND
FLEX-FUNDS - THE US GOVERNMENT BOND FUND
<b>FORUM FUNDS</b>
FORUM FUNDS - BROWN ADVISORY INTERMEDIATE INCOME FUND
<b>FORWARD FUNDS</b>
FORWARD EMERALD GROWTH FUND
<b>FPA FUNDS</b>
FPA CAPITAL FUND INC
<b>FRANKLIN TEMPLETON FUNDS</b>
FRANKLIN ADJUSTABLE US GOVERNMENT SECURITIES FUND
FRANKLIN CONVERTIBLE SECURITIES FUND
FRANKLIN GOLD AND PRECIOUS METALS FUND
FRANKLIN HIGH INCOME FUND
FRANKLIN INCOME FUND
FRANKLIN LIMITED MATURITY U.S. GOVERNMENT SECURITIES FUND
FRANKLIN MUTUAL SERIES FUND INC - MUTUAL DISCOVERY FUND
FRANKLIN MUTUAL SERIES FUND INC - MUTUAL EUROPEAN FUND
FRANKLIN REAL ESTATE SECURITIES FUND
FRANKLIN STRATEGIC SERIES - FRANKLIN FLEX CAP GROWTH FUND
FRANKLIN STRATEGIC SERIES - FRANKLIN SMALL-MID CAP GROWTH FUND
FRANKLIN STRATEGIC SERIES - FRANKLIN STRATEGIC INCOME FUND
FRANKLIN TEMPLETON FUNDS - KOREA FUND
FRANKLIN TEMPLETON INVESTMENT FUNDS - TEMPLETON EUROPEAN FUND
FRANKLIN TOTAL RETURN FUND
FRANKLIN US GOVERNMENT SECURITIES FUND
TEMPLETON DEVELOPING MARKETS TRUST
TEMPLETON FOREIGN FUND
TEMPLETON FOREIGN SMALLER COMPANIES FUND
TEMPLETON GLOBAL OPPORTUNITIES TRUST
TEMPLETON GLOBAL SMALLER COMPANIES FUND/UNITED STATES
TEMPLETON GROWTH FUND INC
TEMPLETON WORLD FUND
<b>GAMCO FUNDS</b>
COMSTOCK CAPITAL VALUE FUND
GABELLI WOODLAND SMALL CAP VALUE FUND
GAMCO GROWTH FUND
GAMCO INTERNATIONAL GROWTH FUND INC
GAMCO WESTWOOD INTERMEDIATE BOND FUND
THE GAMCO GLOBAL GROWTH FUND
THE GAMCO GLOBAL TELECOMMUNICATIONS FUND
<b>GE FUNDS</b>
GE FIXED INCOME FUND
GE GLOBAL EQUITY FUND
GE INTERNATIONAL EQUITY FUND
GE SHORT-TERM GOVERNMENT FUND
GE SMALL CAP VALUE EQUITY FUND
<b>GOLDMAN SACHS FUNDS</b>
GOLDMAN SACHS ASIA EQUITY FUND

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GOLDMAN SACHS CAPITAL GROWTH FUND
GOLDMAN SACHS CONCENTRATED INTERNATIONAL EQUITY FUND
GOLDMAN SACHS CORE FIXED INCOME FUND
GOLDMAN SACHS EMERGING MARKETS EQUITY FUND
GOLDMAN SACHS GLOBAL HIGH YIELD PORTFOLIO
GOLDMAN SACHS GLOBAL INCOME FUND
GOLDMAN SACHS GOVERNMENT INCOME FUND
GOLDMAN SACHS HIGH YIELD FUND
GOLDMAN SACHS INTERNATIONAL SMALL CAP FUND
GOLDMAN SACHS SHORT DURATION GOVERNMENT FUND
GOLDMAN SACHS SMALL CAP VALUE FUND
GOLDMAN SACHS STRATEGIC INTERNATIONAL EQUITY FUND
GOLDMAN SACHS STRUCTURED INTERNATIONAL EQUITY FUND
GOLDMAN SACHS STRUCTURED SMALL CAP GROWTH FUND
GOLDMAN SACHS ULTRA-SHORT DURATION GOVERNMENT FUND
<b>GUINNESS ATKINSON FUNDS</b>
GUINNESS ATKINSON FUNDS - ASIA FOCUS FUND
<b>HARBOR FUNDS</b>
HARBOR BOND FUND
HARBOR INTERNATIONAL FUND
HARBOR INTERNATIONAL GROWTH FUND
HARBOR SHORT DURATION FUND
<b>HARTFORD FUNDS</b>
FORTIS GLOBAL GROWTH PORTFOLIO
HARTFORD CAPITAL APPRECIATION FUND/THE
HARTFORD GLOBAL GROWTH FUND/THE
HARTFORD SMALLCAP GROWTH FUND
HARTFORD TOTAL RETURN BOND FUND
HARTFORD US GOVERNMENT SECURITIES FUND/THE
<b>HEARTLAND FUNDS</b>
HEARTLAND SELECT VALUE FUND
<b>HERITAGE FUNDS</b>
HERITAGE CAPITAL APPRECIATION TRUST
HERITAGE INTERNATIONAL EQUITY FUND
<b>HIGHMARK FUNDS</b>
HIGHMARK BALANCED FUND
HIGHMARK BOND FUND
<b>HSBC INVESTOR FUNDS</b>
HSBC INVESTOR INTERNATIONAL EQUITY FUND
<b>ICM FUNDS</b>
IRONWOOD ISABELLE SMALL COMPANY STOCK FUND
<b>ICON FUNDS</b>
ICON ASIA-PACIFIC REGION FUND
ICON INDUSTRIALS FUND
ICON INTERNATIONAL EQUITY FUND
ICON LEISURE AND CONSUMER STAPLES FUND
<b>ING FUNDS</b>
ING EMERGING COUNTRIES FUND
ING FUNDAMENTAL RESEARCH FUND
ING GLOBAL NATURAL RESOURCES FUND
ING GLOBAL REAL ESTATE FUND
ING GNMA INCOME FUND
ING HIGH YIELD BOND FUND

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ING INDEX PLUS LARGE CAP FUND
ING INTERMEDIATE BOND FUND
ING INTERNATIONAL EQUITY FUND/OLD
ING INTERNATIONAL GROWTH OPPORTUNITIES FUND
ING INTERNATIONAL SMALL CAP FUND
ING INTERNATIONAL VALUE FUND
ING MIDCAP OPPORTUNITIES FUND
ING SMALL COMPANY FUND
ING SMALL CAP OPPORTUNITIES FUND
<b>INVESCO AIM FUNDS</b>
AIM ASIA PACIFIC GROWTH FUND
AIM BASIC BALANCED FUND
AIM CAPITAL DEVELOPMENT FUND
AIM CHARTER FUND
AIM CONSTELLATION FUND
AIM DEVELOPING MARKETS FUND
AIM DYNAMICS FUND
AIM ENERGY FUND
AIM EUROPEAN GROWTH FUND/UNITED STATES
AIM EUROPEAN SMALL COMPANY FUND
AIM GLOBAL GROWTH FUND
AIM GLOBAL HEALTH CARE FUND
AIM GLOBAL SMALL & MID CAP GROWTH FUND
AIM GOLD & PRECIOUS METALS FUND
AIM HIGH YIELD FUND
AIM INTERNATIONAL CORE EQUITY FUND
AIM INTERNATIONAL GROWTH FUND
AIM INTERNATIONAL SMALL COMPANY FUND
AIM LARGE CAP BASIC VALUE FUND
AIM LARGE CAP GROWTH FUND
AIM LEISURE FUND
AIM LIMITED MATURITY TREASURY FUND
AIM MUNICIPAL BOND FUND
AIM REAL ESTATE FUND
AIM SMALL CAP GROWTH FUND
AIM TAX-FREE INTERMEDIATE FUND
AIM TECHNOLOGY FUND
AIM US GOVERNMENT FUND
AIM UTILITIES FUND
<b>ISI FUNDS</b>
ISI TOTAL RETURN US TREASURY FUND
<b>JANUS FUNDS</b>
JANUS ADVISER FLEXIBLE BOND FUND
JANUS ADVISER INTERNATIONAL GROWTH FUND
JANUS ADVISER MID CAP VALUE FUND
JANUS ADVISER ORION FUND
JANUS ADVISER WORLDWIDE FUND
JANUS CAPITAL FUNDS PLC - US HIGH YIELD FUND
JANUS ENTERPRISE FUND
JANUS GROWTH AND INCOME FUND
JANUS OVERSEAS FUND
JANUS RESEARCH FUND
JANUS SMALL CAP VALUE FUND

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JANUS VENTURE FUND
JANUS WORLDWIDE FUND
<b>JAPAN FUNDS</b>
JAPAN FUND INC/FUND
<b>JOHN HANCOCK FUNDS</b>
JOHN HANCOCK FINANCIAL INDUSTRIES FUND/UNITED STATES
JOHN HANCOCK FUNDS III - GROWTH OPPORTUNITIES FUND
JOHN HANCOCK FUNDS III - INTERNATIONAL CORE FUND
JOHN HANCOCK HEALTH SCIENCES FUND
JOHN HANCOCK HIGH YIELD FUND
JOHN HANCOCK HIGH YIELD MUNICIPAL BOND FUND
JOHN HANCOCK INVESTMENT GRADE BOND FUND
<b>JP MORGAN FUNDS</b>
JPMORGAN CORE BOND FUND
JPMORGAN DIVERSIFIED FUND
JPMORGAN DIVERSIFIED MID CAP VALUE FUND
JPMORGAN DYNAMIC SMALL CAP GROWTH FUND
JPMORGAN EQUITY INDEX FUND
JPMORGAN GOVERNMENT BOND FUND
JPMORGAN HIGH YIELD BOND FUND
JPMORGAN INTERMEDIATE BOND FUND
JPMORGAN INTERNATIONAL EQUITY FUND
JPMORGAN INTERNATIONAL EQUITY INDEX FUND
JPMORGAN INTERNATIONAL OPPORTUNITIES FUND
JPMORGAN INTREPID EUROPEAN FUND
JPMORGAN INTREPID JAPAN FUND
JPMORGAN LARGE CAP GROWTH FUND
JPMORGAN SHORT TERM BOND FUND II
UNDISCOVERED MANAGERS BEHAVIORAL GROWTH FUND
<b>KENSINGTON FUNDS</b>
KENSINGTON SELECT INCOME FUND
<b>KINETICS FUNDS</b>
KINETICS INTERNET FUND
KINETICS MEDICAL FUND
KINETICS PARADIGM FUND
<b>LAUDUS ROSENBERG FUNDS</b>
LAUDUS ROSENBERG INTERNATIONAL SMALL CAPITALIZATION FUND
<b>LAZARD FUNDS</b>
LAZARD HIGH YIELD PORTFOLIO
LAZARD INTERNATIONAL EQUITY PORTFOLIO
LAZARD INTERNATIONAL SMALL CAP PORTFOLIO
<b>LEGG MASON FUNDS</b>
LEGG MASON GLOBAL FUND PLC - WESTERN ASSET US HIGH YIELD BOND FUND
LEGG MASON GLOBAL FUNDS PLC - BATTERYMARCH PACIFIC EQUITY FUND
LEGG MASON LIMITED DURATION BOND PORTFOLIO
LEGG MASON PARTNERS DIVERSIFIED STRATEGIC INCOME FUND
LEGG MASON PARTNERS GLOBAL HIGH YIELD BOND FUND
LEGG MASON PARTNERS INTERMEDIATE-TERM US GOVERNMENT FUND
<b>LORD ABBETT FUNDS</b>
LORD ABBETT BOND-DEBENTURE FUND INC
LORD ABBETT DEVELOPING GROWTH FUND INC
LORD ABBETT INVESTMENT TRUST - LORD ABBETT HIGH YIELD FUND
LORD ABBETT INVESTMENT TRUST - SHORT DURATION INCOME FUND



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LORD ABBETT RESEARCH FUND INC - SMALL CAP VALUE FUND
LORD ABBETT SECURITIES TRUST - INTERNATIONAL OPPORTUNITIES FUND
<b>MAINSTAY FUNDS</b>
MAINSTAY CAPITAL APPRECIATION FUND
MAINSTAY COMMON STOCK FUND
MAINSTAY DIVERSIFIED INCOME FUND
MAINSTAY EQUITY INDEX FUND
MAINSTAY GLOBAL HIGH INCOME FUND
MAINSTAY GOVERNMENT FUND
MAINSTAY HIGH YIELD CORPORATE BOND FUND
MAINSTAY INTERNATIONAL EQUITY FUND
MAINSTAY LARGE CAP GROWTH FUND
MAINSTAY MID CAP GROWTH FUND
MAINSTAY SHORT TERM BOND FUND
MAINSTAY SMALL CAP GROWTH FUND
MAINSTAY SMALL CAP OPPORTUNITY FUND
<b>MANAGERS FUNDS</b>
MANAGERS AMG CHICAGO EQUITY PARTNERS MID-CAP FUND
MANAGERS FREMONT BOND FUND
MANAGERS FREMONT GLOBAL FUND
MANAGERS HIGH YIELD FUND
MANAGERS INTERNATIONAL EQUITY FUND
MANAGERS SMALL CAP FUND
<b>MARSHALL FUNDS</b>
MARSHALL GOVERNMENT INCOME FUND
MARSHALL INTERNATIONAL STOCK FUND
MARSHALL SHORT-TERM INCOME FUND
<b>MARSICO FUNDS</b>
MARSICO 21ST CENTURY FUND
<b>MATTHEWS GROUP FUNDS</b>
MATTHEWS ASIAN GROWTH AND INCOME FUND
MATTHEWS KOREA FUND
MATTHEWS PACIFIC TIGER FUND
<b>MELLON INSTITUTIONAL FUNDS</b>
MELLON INSTITUTIONAL FUNDS - STANDISH MELLON FIXED INCOME FUND
<b>MERRILL LYNCH FUNDS</b>
BLACKROCK ASSET ALLOCATION PORTFOLIO
BLACKROCK AURORA PORTFOLIO
BLACKROCK GLOBAL RESOURCES FUND
BLACKROCK HIGH YIELD BOND PORTFOLIO
BLACKROCK INTERMEDIATE BOND PORTFOLIO II
BLACKROCK INTERMEDIATE GOVERNMENT BOND PORTFOLIO
BLACKROCK INTERNATIONAL OPPORTUNITIES PORTFOLIO
BLACKROCK INTERNATIONAL VALUE FUND
BLACKROCK MID-CAP GROWTH EQUITY PORTFOLIO
BLACKROCK MID-CAP VALUE PORTFOLIO
BLACKROCK SHORT TERM BOND FUND
BLACKROCK SMALL CAP GROWTH EQUITY PORTFOLIO
BLACKROCK SMALL/MID-CAP GROWTH PORTFOLIO
MASSMUTUAL PREMIER ENHANCED INDEX CORE EQUITY FUND
MASSMUTUAL PREMIER MAIN STREET FUND
MERCURY QA LARGE CAP CORE FUND
PNC GROWTH & INCOME FUND

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SSGA CORE OPPORTUNITIES FUND
SSGA DISCIPLINED EQUITY FUND
SSGA EMERGING MARKETS FUND
SSGA HIGH YIELD BOND FUND
SSGA IAM SHARES FUND
SSGA INTERMEDIATE FUND
SSGA S&P 500 INDEX FUND
SSGA SMALL CAP FUND
SSGA TUCKERMAN ACTIVE REIT FUND
<b>MFS FUNDS</b>
MFS CORE EQUITY FUND
MFS CORE GROWTH FUND
MFS EMERGING MARKETS EQUITY FUND
MFS GLOBAL EQUITY FUND
MFS GLOBAL GROWTH FUND
MFS GLOBAL TOTAL RETURN FUND
MFS GOVERNMENT SECURITIES FUND
MFS GROWTH FUND
MFS HIGH INCOME FUND
MFS HIGH YIELD OPPORTUNITIES FUND
MFS INTERNATIONAL GROWTH FUND
MFS LIMITED MATURITY FUND
MFS MASSACHUSETTS INVESTORS GROWTH STOCK FUND
MFS MASSACHUSETTS INVESTORS TRUST
MFS MERIDIAN FUNDS - ASIA PACIFIC EX-JAPAN FUND
MFS MERIDIAN FUNDS - GLOBAL EQUITY FUND
MFS MERIDIAN FUNDS - U.S. HIGH YIELD BOND FUND
MFS MID CAP GROWTH FUND
MFS MONEY MARKET FUND
MFS MUNICIPAL HIGH INCOME FUND
MFS MUNICIPAL INCOME FUND
MFS MUNICIPAL LIMITED MATURITY FUND
MFS NEW DISCOVERY FUND
MFS RESEARCH FUND
MFS STRATEGIC INCOME FUND
MFS TOTAL RETURN FUND
MFS VALUE FUND
<b>MORGAN STANLEY FUNDS</b>
MORGAN STANLEY INSTITUTIONAL FUND TRUST - CORE PLUS FIXED INCOME PORTFOLIO
MORGAN STANLEY INVESTMENT FUNDS - ASIAN EQUITY FUND
MORGAN STANLEY INVESTMENT FUNDS - EMERGING MARKETS EQUITY FUND
MORGAN STANLEY INVESTMENT FUNDS - EUROPEAN EQUITY EURO HEDGED FUND
MORGAN STANLEY INVESTMENT FUNDS - EUROPEAN EQUITY FUND
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BRANDS FUND
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL VALUE EQUITY FUND
MORGAN STANLEY INVESTMENT FUNDS - JAPANESE VALUE EQUITY FUND
MORGAN STANLEY INVESTMENT FUNDS - US BOND FUND
MORGAN STANLEY SICAV - EUROPEAN EQUITY GROWTH FUND
<b>MTB FUNDS</b>
MTB INCOME FUND
MTB SMALL CAP GROWTH FUND
<b>MUNDER FUNDS</b>
MUNDER BOND FUND

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MUNDER HEALTHCARE FUND
MUNDER INTERMEDIATE BOND FUND
MUNDER INTERNATIONAL EQUITY FUND
MUNDER INTERNET FUND
MUNDER MICRO-CAP EQUITY FUND
<b>NATIONWIDE FUNDS</b>
NATIONWIDE BOND INDEX FUND
NATIONWIDE ENHANCED INCOME FUND
NATIONWIDE GOVERNMENT BOND FUND
NATIONWIDE INTERNATIONAL INDEX FUND
<b>NATIXIS FUNDS</b>
NATIXIS HANSBERGER INTERNATIONAL FUND
NATIXIS HARRIS ASSOCIATES LARGE CAP VALUE FUND
NATIXIS LOOMIS SAYLES HIGH INCOME FUND
NATIXIS LOOMIS SAYLES LIMITED TERM GOVERNMENT AND AGENCY FUND
NATIXIS LOOMIS SAYLES VALUE FUND
NATIXIS WESTPEAK 130/30 GROWTH FUND
<b>NAVELLIER FUNDS</b>
NAVELLIER PERFORMANCE FUNDS - AGGRESSIVE MICRO CAP PORTFOLIO
<b>NEUBERGER BERMAN FUNDS</b>
LEHMAN BROTHERS MUNICIPAL SECURITIES TRUST
LEHMAN BROTHERS SHORT DURATION BOND FUND
NEUBERGER BERMAN EQUITY INCOME FUND
NEUBERGER BERMAN FOCUS FUND
NEUBERGER BERMAN INTERNATIONAL FUND
NEUBERGER BERMAN SMALL CAP GROWTH FUND
NEUBERGER BERMAN SOCIALLY RESPONSIVE FUND
<b>NORTH TRACK FUNDS</b>
NORTH TRACK NYSE ARCA TECH 100 INDEX FUND
<b>NORTHEAST INVESTMENT FUNDS</b>
NORTHEAST INVESTORS TRUST
<b>NORTHERN FUNDS</b>
NORTHERN GROWTH EQUITY FUND
NORTHERN HIGH YIELD FIXED INCOME FUND
NORTHERN INTERMEDIATE TAX-EXEMPT FUND
NORTHERN INTERNATIONAL GROWTH EQUITY FUND
NORTHERN MID CAP GROWTH FUND
NORTHERN SHORT-INTERMEDIATE US GOVERNMENT FUND
NORTHERN US GOVERNMENT FUND
<b>NORTHERN LIGHTS FUNDS</b>
ROANOKE SMALL CAP GROWTH FUND
<b>NUVEEN FUNDS</b>
NUVEEN ALL-AMERICAN MUNICIPAL BOND FUND
NUVEEN LIMITED TERM MUNICIPAL BOND FUND
NUVEEN MULTI-MANAGER LARGE-CAP VALUE FUND
NUVEEN TRADEWINDS INTERNATIONAL VALUE FUND
<b>OAK ASSOCIATES FUNDS</b>
OAK ASSOCIATES FUNDS - PIN OAK AGGRESSIVE STOCK FUND
<b>OAK VALUE FUNDS</b>
OAK VALUE FUND
<b>OAKMARK FUNDS</b>
OAKMARK FUND
<b>OLD MUTUAL FUNDS</b>

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OLD MUTUAL COLUMBUS CIRCLE TECHNOLOGY & COMMUNICATIONS FUND
OLD MUTUAL EMERGING GROWTH FUND
OLD MUTUAL GROWTH FUND/UNITED STATES
OLD MUTUAL MID CAP FUND
OLD MUTUAL STRATEGIC SMALL COMPANY FUND
OLD MUTUAL TS&W SMALL CAP FUND
TS&W INTERNATIONAL EQUITY PORTFOLIO
<b>OPPENHEIMER FUNDS</b>
OPPENHEIMER AMT-FREE MUNICIPALS
OPPENHEIMER BALANCED FUND
OPPENHEIMER CAPITAL APPRECIATION FUND
OPPENHEIMER CAPITAL INCOME FUND
OPPENHEIMER CHAMPION INCOME FUND
OPPENHEIMER CONVERTIBLE SECURITIES FUND
OPPENHEIMER DEVELOPING MARKETS FUND
OPPENHEIMER DISCOVERY FUND
OPPENHEIMER EQUITY FUND INC
OPPENHEIMER GLOBAL FUND
OPPENHEIMER GLOBAL OPPORTUNITIES FUND
OPPENHEIMER GOLD & SPECIAL MINERALS FUND
OPPENHEIMER INTERNATIONAL GROWTH FUND
OPPENHEIMER INTERNATIONAL SMALL COMPANY FUND
OPPENHEIMER MAIN STREET SMALL CAP FUND
OPPENHEIMER QUEST BALANCED FUND
OPPENHEIMER QUEST OPPORTUNITY VALUE FUND
OPPENHEIMER RISING DIVIDENDS FUND INC
OPPENHEIMER US GOVERNMENT TRUST
OPPENHEIMER VALUE FUND
ROCHESTER FUND MUNICIPALS
<b>PARNASSUS FUNDS</b>
PARNASSUS FUND/THE
<b>PAX FUNDS</b>
PAX WORLD HIGH YIELD BOND FUND
<b>PAYDEN &amp; RYSEL FUNDS</b>
PAYDEN GNMA FUND
PAYDEN OPPORTUNITY BOND FUND
<b>PHOENIX FUNDS</b>
PHOENIX BOND FUND
PHOENIX CALIFORNIA TAX EXEMPT BOND FUND
PHOENIX CAPITAL GROWTH FUND
PHOENIX CORE BOND FUND
PHOENIX FOREIGN OPPORTUNITIES FUND
PHOENIX INCOME & GROWTH FUND
PHOENIX INSIGHT INTERMEDIATE GOVERNMENT BOND FUND
PHOENIX INSIGHT SHORT/INTERMEDIATE BOND FUND
PHOENIX INSIGHT TAX EXEMPT BOND FUND
PHOENIX INTERNATIONAL STRATEGIES FUND
PHOENIX MULTI-SECTOR SHORT TERM BOND FUND
PHOENIX SMALL-MID CAP FUND
PHOENIX WORLDWIDE STRATEGIES FUND
<b>PIONEER FUNDS</b>
PIONEER AMT-FREE MUNICIPAL FUND
PIONEER BOND FUND

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PIONEER EUROPE SELECT EQUITY FUND
PIONEER FUND
PIONEER FUNDS - GLOBAL EQUITY
PIONEER FUNDS - JAPANESE EQUITY
PIONEER FUNDS - PACIFIC EX-JAPAN EQUITY
PIONEER FUNDS - US HIGH YIELD CORPORATE BOND
PIONEER GOVERNMENT INCOME FUND
PIONEER GROWTH OPPORTUNITIES FUND
PIONEER HIGH YIELD FUND
PIONEER INDEPENDENCE FUND
PIONEER INTERNATIONAL EQUITY FUND
PIONEER INTERNATIONAL VALUE FUND
PIONEER SHORT TERM INCOME FUND
PIONEER SMALL-CAP VALUE FUND
PIONEER VALUE FUND
<b>PRINCIPAL FUNDS</b>
PRINCIPAL DIVERSIFIED INTERNATIONAL FUND
PRINCIPAL GOVERNMENT & HIGH QUALITY BOND FUND
PRINCIPAL HIGH YIELD FUND
PRINCIPAL INVESTORS FUND INC - STRATEGIC ASSET MANAGEMENT CONSERVATIVE GROWTH PT
PRINCIPAL MORTGAGE SECURITIES FUND
PRINCIPAL SMALLCAP GROWTH FUND
PRINCIPAL WEST COAST EQUITY FUND
<b>PROFUNDS FUNDS</b>
PROFUNDS BIOTECHNOLOGY ULTRASECTOR PROFUND
PROFUNDS INTERNET ULTRASECTOR PROFUND
PROFUNDS RISING RATES OPPORTUNITY PROFUND
PROFUNDS SEMICONDUCTOR ULTRASECTOR PROFUND
PROFUNDS SHORT SMALL-CAP PROFUND
PROFUNDS TECHNOLOGY ULTRASECTOR PROFUND
PROFUNDS ULTRA NASDAQ-100 PROFUND
PROFUNDS ULTRABULL PROFUND
PROFUNDS ULTRAMID-CAP PROFUND
PROFUNDS ULTRASMALL-CAP PROFUND
<b>PRUDENTIAL FUNDS</b>
DRYDEN INTERNATIONAL VALUE FUND
DRYDEN SMALL CAP VALUE FUND
JENNDRY FUNDS - DRYDEN GLOBAL TOTAL RETURN FUND INC
JENNDRY FUNDS - DRYDEN GOVERNMENT INCOME FUND INC
JENNDRY FUNDS - DRYDEN HIGH YIELD FUND INC
JENNDRY FUNDS - DRYDEN INTERNATIONAL EQUITY
JENNDRY FUNDS - DRYDEN LARGE CAP CORE EQUITY
JENNDRY FUNDS - DRYDEN MUNICIPAL BOND FUND HIGH INCOME SERIES
JENNDRY FUNDS - DRYDEN SHORT-TERM CORPORATE BOND FUND
JENNDRY FUNDS - DRYDEN STOCK INDEX FUND
JENNDRY FUNDS - DRYDEN TOTAL RETURN BOND FUND INC
JENNDRY FUNDS - JENNISON 20/20 FOCUS FUND
JENNDRY FUNDS - JENNISON CONSERVATIVE GROWTH FUND
JENNDRY FUNDS - JENNISON GROWTH FUND
JENNDRY FUNDS - JENNISON SMALL COMPANY FUND INC
JENNISON DRYDEN MID CAP GROWTH FUND
JENNISON EQUITY INCOME FUND
JENNISON SECTOR FUNDS INC - JENNISON HEALTH SCIENCES FUND

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JENNISON SECTOR FUNDS INC - JENNISON UTILITY FUND
JENNISON/DRYDEN FUNDS - JENNISON SELECT GROWTH FUND
TARGET INTERMEDIATE-TERM BOND PORTFOLIO
TARGET INTERNATIONAL BOND PORTFOLIO
TARGET INTERNATIONAL EQUITY PORTFOLIO
TARGET TOTAL RETURN BOND PORTFOLIO
<b>PUTNAM FUNDS</b>
GEORGE PUTNAM FUND OF BOSTON
PUTNAM ASSET ALLOCATION CONSERVATIVE PORTFOLIO
PUTNAM CAPITAL APPRECIATION FUND
PUTNAM DIVERSIFIED INCOME TRUST
PUTNAM EUROPE EQUITY FUND
PUTNAM FUND FOR GROWTH AND INCOME
PUTNAM GLOBAL EQUITY FUND
PUTNAM HEALTH SCIENCES TRUST
PUTNAM HIGH YIELD TRUST
PUTNAM INTERNATIONAL CAPITAL OPPORTUNITIES FUND
PUTNAM INTERNATIONAL EQUITY FUND
PUTNAM INTERNATIONAL GROWTH AND INCOME FUND
PUTNAM INTERNATIONAL NEW OPPORTUNITIES FUND
PUTNAM LIMITED DURATION GOVERNMENT INCOME FUND
PUTNAM OTC & EMERGING GROWTH FUND
PUTNAM TAX EXEMPT INCOME FUND
PUTNAM US GOVERNMENT INCOME TRUST
PUTNAM WORLD TRUST - INTERNATIONAL NON US CORE EQUITY FUND
<b>QUAKER FUNDS</b>
QUAKER STRATEGIC GROWTH FUND
<b>QUANTITATIVE FUNDS</b>
QUANTITATIVE GROUP OF FUNDS - QUANT FOREIGN VALUE FUND
<b>RAINIER FUNDS</b>
RAINIER INTERMEDIATE FIXED INCOME PORTFOLIO
RAINIER LARGE CAP CORE EQUITY PORTFOLIO
RAINIER SMALL/MID CAP EQUITY PORTFOLIO
<b>RIDGEWORTH FUNDS</b>
RIDGEWORTH INTERNATIONAL EQUITY FUND
RIDGEWORTH INTERNATIONAL EQUITY INDEX FUND
RIDGEWORTH LIMITED-TERM FEDERAL MORTGAGE SECURITIES FUND
RIDGEWORTH MID-CAP CORE EQUITY FUND
RIDGEWORTH SEIX HIGH YIELD BONND FUND
RIDGEWORTH SHORT-TERM BOND FUND
RIDGEWORTH SHORT-TERM US TREASURY SECURITIES FUND
<b>ROBECO FUNDS</b>
ROBECO WPG SMALL CAP VALUE FUND
<b>RS INVESTMENTS FUNDS</b>
RS CORE EQUITY FUND
RS EMERGING GROWTH FUND
RS GROWTH FUND
RS HIGH YIELD BOND FUND
RS INTERNATIONAL GROWTH FUND
RS INVESTMENT QUALITY BOND FUND
RS MIDCAP OPPORTUNITIES FUND
RS PARTNERS FUND
RS SELECT GROWTH FUND

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RS SMALL CAP CORE EQUITY FUND
RS SMALLER COMPANY GROWTH FUND
RS VALUE FUND
<b>RUSSELL GROUP FUNDS</b>
RUSSELL EMERGING MARKETS FUND
RUSSELL INTERNATIONAL FUND
<b>RYDEX FUNDS</b>
RYDEX OTC 2X STRATEGY FUND
RYDEX SERIES - EUROPE 1.25X STRATEGY FUND
RYDEX SERIES - INTERNET FUND
RYDEX SERIES - MID CAP 1.5X STRATEGY FUND
RYDEX SERIES - PRECIOUS METALS FUND
RYDEX SERIES - RUSSELL 2000 1.5X STRATEGY FUND
RYDEX SERIES TRUST - INVERSE OTC STRATEGY FUND
<b>SARATOGA FUNDS</b>
SARATOGA ADVANTAGE TRUST/THE - INVESTMENT QUALITY BOND PORTFOLIO
SARATOGA ADVANTAGE TRUST/THE - MUNICIPAL BOND PORTFOLIO
<b>SCHRODER CAPITAL FUNDS</b>
SCHRODER INTERNATIONAL ALPHA FUND
<b>SECURITY FUNDS</b>
SECURITY DIVERSIFIED INCOME FUND
SECURITY EQUITY FUND - GLOBAL SERIES
<b>SEI FUNDS</b>
SEI DAILY INCOME TRUST INTERMEDIATE-DURATION GOVERNMENT FUND
SEI DAILY INCOME TRUST SHORT-DURATION GOVERNMENT FUND
SEI DAILY INCOME TRUST ULTRA SHORT BOND FUND
SEI INSTITUTIONAL INTERNATIONAL TRUST - EMERGING MARKETS EQUITY FUND
SEI INSTITUTIONAL INTERNATIONAL TRUST - INTERNATIONAL EQUITY FUND
SEI INSTITUTIONAL INTERNATIONAL TRUST - INTERNATIONAL FIXED INCOME FUND
SEI INSTITUTIONAL MANAGED TRUST - CORE FIXED INCOME FUND
SEI INSTITUTIONAL MANAGED TRUST - HIGH YIELD BOND PORTFOLIO
SEI INSTITUTIONAL MANAGED TRUST - LARGE CAP VALUE FUND
SEI INSTITUTIONAL MANAGED TRUST - SMALL CAP GROWTH FUND
SEI INSTITUTIONAL MANAGED TRUST - SMALL CAP VALUE FUND
SEI TAX EXEMPT TRUST - INTERMEDIATE-TERM MUNICIPAL FUND
<b>SELIGMAN FUNDS</b>
SELIGMAN CAPITAL FUND INC
SELIGMAN COMMUNICATIONS & INFORMATION FUND INC
SELIGMAN GLOBAL FUND SERIES INC - GLOBAL GROWTH FUND
SELIGMAN GLOBAL FUND SERIES INC - GLOBAL SMALLER COMPANIES FUND
SELIGMAN GLOBAL FUND SERIES INC - INTERNATIONAL GROWTH FUND
SELIGMAN GROWTH FUND INC
SELIGMAN MUNICIPAL SERIES MICHIGAN FUND
SELIGMAN MUNICIPAL SERIES NEW YORK FUND
SELIGMAN SMALLER-CAP VALUE FUND
SELIGMAN US GOVERNMENT SECURITIES FUND
<b>SENTINEL FUNDS</b>
SENTINEL EMERGING COMPANIES FUND
SENTINEL GOVERNMENT SECURITIES FUND
SENTINEL HIGH YIELD BOND FUND
SENTINEL INTERNATIONAL EQUITY FUND
SENTINEL MID CAP GROWTH FUND
SENTINEL SHORT MATURITY GOVERNMENT FUND

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SENTINEL SUSTAINABLE CORE OPPORTUNITIES FUND
<b>SIT FUNDS</b>
SIT US GOVERNMENT SECURITIES FUND
<b>SKYLINE FUNDS</b>
SKYLINE SPECIAL EQUITIES PORTFOLIO
<b>SOUND SHORE FUNDS</b>
SOUND SHORE FUND INC
<b>T ROWE PRICE FUNDS</b>
T ROWE PRICE HEALTH SCIENCES FUND INC
T ROWE PRICE INTERNATIONAL FUNDS - EUROPEAN STOCK FUND
T ROWE PRICE INTERNATIONAL FUNDS - NEW ASIA FUND
<b>TAMARACK FUNDS</b>
TAMARACK LARGE CAP GROWTH FUND
<b>TCW GALILEO FUNDS</b>
TCW CORE FIXED INCOME FUND
TCW GROWTH EQUITIES FUND
TCW HIGH YIELD BOND FUND
TCW SELECT EQUITIES FUND
TCW SHORT TERM BOND FUND
TCW TOTAL RETURN BOND FUND
<b>THIRD AVENUE FUNDS</b>
THIRD AVENUE SMALL-CAP VALUE FUND
<b>THORNBURG FUNDS</b>
THORNBURG INTERNATIONAL VALUE FUND
THORNBURG LIMITED TERM MUNICIPAL FUND
THORNBURG LIMITED TERM US GOVERNMENT FUND
THORNBURG VALUE FUND
<b>TOCQUEVILLE FUNDS</b>
TOCQUEVILLE INTERNATIONAL VALUE FUND\THE
<b>TOUCHSTONE FUNDS</b>
TOUCHSTONE CLOVER CORE FIXED INCOME FUND
TOUCHSTONE CORE BOND FUND
TOUCHSTONE HIGH YIELD FUND
TOUCHSTONE MID CAP GROWTH FUND
TOUCHSTONE SHORT DURATION FIXED INCOME FUND
<b>TRANSAMERICA FUNDS</b>
TRANSAMERICA AMERICAN CENTURY LARGE COMPANY VALUE
TRANSAMERICA EQUITY
TRANSAMERICA FLEXIBLE INCOME
TRANSAMERICA GROWTH OPPORTUNITIES
TRANSAMERICA MFS INTERNATIONAL EQUITY
TRANSAMERICA PIMCO TOTAL RETURN
TRANSAMERICA TEMPLETON TRANSAMERICA GLOBAL
<b>UBS FUNDS</b>
UBS FUNDS THE - UBS INTERNATIONAL EQUITY FUND
UBS FUNDS/THE - UBS GLOBAL ALLOCATION FUND
UBS FUNDS/THE - UBS GLOBAL EQUITY FUND
UBS FUNDS/THE - UBS HIGH YIELD FUND
UBS FUNDS/THE - UBS US BOND FUND
UBS FUNDS/THE - UBS US SMALL CAP GROWTH FUND
UBS PACE SELECT ADVISORS TRUST - GOVERNMENT SECURITIES FIXED INCOME INVESTMENTS
UBS PACE SELECT ADVISORS TRUST - INTERMEDIATE FIXED INCOME INVESTMENTS



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UBS PACE SELECT ADVISORS TRUST - MUNICIPAL FIXED INCOME INVESTMENTS
UBS PACE SELECT ADVISORS TRUST - STRATEGIC FIXED INCOME INVESTMENTS
<b>UMB SCOUT FUNDS</b>
UMB SCOUT INTERNATIONAL FUND
<b>US GLOBAL INVESTORS FUNDS</b>
US GLOBAL INVESTORS TAX FREE FUND
<b>VALUE LINE FUNDS</b>
VALUE LINE AGGRESSIVE INCOME TRUST
VALUE LINE EMERGING OPPORTUNITIES FUND INC
<b>VAN ECK FUNDS</b>
VAN ECK EMERGING MARKETS FUND
VAN ECK GLOBAL HARD ASSETS FUND
VAN ECK INTERNATIONAL INVESTORS GOLD FUND
<b>VAN KAMPEN FUNDS</b>
VAN KAMPEN AMERICAN VALUE FUND
VAN KAMPEN CAPITAL GROWTH FUND
VAN KAMPEN COMSTOCK FUND
VAN KAMPEN CORPORATE BOND FUND
VAN KAMPEN EMERGING MARKETS FUND
VAN KAMPEN ENTERPRISE FUND
VAN KAMPEN EQUITY AND INCOME FUND
VAN KAMPEN GLOBAL EQUITY ALLOCATION FUND
VAN KAMPEN GLOBAL FRANCHISE FUND
VAN KAMPEN GLOBAL VALUE EQUITY FUND
VAN KAMPEN GOVERNMENT SECURITIES FUND
VAN KAMPEN GROWTH AND INCOME FUND
VAN KAMPEN HIGH YIELD FUND
VAN KAMPEN INTERNATIONAL ADVANTAGE FUND
VAN KAMPEN LIMITED DURATION FUND
VAN KAMPEN MID CAP GROWTH FUND
VAN KAMPEN REAL ESTATE SECURITIES FUND
VAN KAMPEN SELECT GROWTH FUND
VAN KAMPEN SMALL CAP GROWTH FUND
VAN KAMPEN SMALL CAP VALUE FUND
VAN KAMPEN STRATEGIC GROWTH FUND
VAN KAMPEN TECHNOLOGY FUND
VAN KAMPEN US MORTGAGE FUND
<b>VAN WAGONER FUNDS</b>
VAN WAGONER EMERGING GROWTH FUND
VAN WAGONER MID-CAP GROWTH FUND
VAN WAGONER POST-VENTURE FUND
VAN WAGONER SMALL-CAP GROWTH FUND
VAN WAGONER TECHNOLOGY FUND
<b>VANGUARD FUNDS</b>
VANGUARD INTERMEDIATE-TERM TAX-EXEMPT FUND
<b>VICTORY FUNDS</b>
VICTORY DIVERSIFIED STOCK FUND
<b>WACHOVIA FUNDS</b>
EVERGREEN CORE BOND FUND
EVERGREEN CORE PLUS BOND FUND
EVERGREEN DIVERSIFIED INCOME BUILDER FUND
EVERGREEN EMERGING MARKETS GROWTH FUND
EVERGREEN ENHANCED S&P 500 FUND

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EVERGREEN FIXED INCOME FUND
EVERGREEN GLOBAL LARGE CAP EQUITY FUND
EVERGREEN GLOBAL OPPORTUNITIES FUND
EVERGREEN GROWTH FUND
EVERGREEN HIGH INCOME FUND
EVERGREEN INTERNATIONAL EQUITY FUND
EVERGREEN MUNICIPAL BOND FUND
EVERGREEN OMEGA FUND
EVERGREEN PRECIOUS METALS FUND
EVERGREEN SHORT-INTERMEDIATE MUNICIPAL BOND FUND
EVERGREEN STRATEGIC GROWTH FUND
EVERGREEN US GOVERNMENT FUND
<b>WADDELL &amp; REED FUNDS</b>
IVY BOND FUND
IVY HIGH INCOME FUND
IVY INTERNATIONAL BALANCED FUND
IVY INTERNATIONAL CORE EQUITY FUND
IVY INTERNATIONAL GROWTH FUND
IVY MORTGAGE SECURITIES FUND
IVY PACIFIC OPPORTUNITIES FUND
WADDELL & REED ADVISORS ACCUMULATIVE FUND
WADDELL & REED ADVISORS BOND FUND
WADDELL & REED ADVISORS GLOBAL BOND FUND
WADDELL & REED ADVISORS GOVERNMENT SECURITIES FUND
WADDELL & REED ADVISORS HIGH INCOME FUND
WADDELL & REED ADVISORS INTERNATIONAL GROWTH FUND
WADDELL & REED ADVISORS NEW CONCEPTS FUND
WADDELL & REED ADVISORS SMALL CAP FUND
<b>WASATCH FUNDS</b>
WASATCH MICRO CAP FUND
WASATCH-HOISINGTON US TREASURY FUND
<b>WEITZ FUNDS</b>
THE WEITZ FUNDS - PARTNERS VALUE FUND
THE WEITZ FUNDS - SHORT/INTERMEDIATE INCOME FUND
<b>WELLS FARGO FUNDS</b>
STAGECOACH STRATEGIC GROWTH FUND
WELLS FARGO ADVANTAGE ASIA PACIFIC FUND
WELLS FARGO ADVANTAGE EMERGING MARKETS EQUITY FUND
WELLS FARGO ADVANTAGE ENTERPRISE FUND
WELLS FARGO ADVANTAGE GOVERNMENT SECURITIES FUND
WELLS FARGO ADVANTAGE GROWTH FUND
WELLS FARGO ADVANTAGE INDEX FUND
WELLS FARGO ADVANTAGE INTERMEDIATE GOVERNMENT INCOME FUND
WELLS FARGO ADVANTAGE INTERNATIONAL EQUITY FUND
WELLS FARGO ADVANTAGE LARGE COMPANY GROWTH FUND
WELLS FARGO ADVANTAGE MID CAP GROWTH FUND
WELLS FARGO ADVANTAGE MUNICIPAL BOND FUND
WELLS FARGO ADVANTAGE SHORT DURATION GOVERNMENT BOND FUND
WELLS FARGO ADVANTAGE SHORT-TERM BOND FUND
WELLS FARGO ADVANTAGE SHORT-TERM HIGH YIELD BOND FUND
WELLS FARGO ADVANTAGE SHORT-TERM MUNICIPAL BOND FUND
WELLS FARGO ADVANTAGE SMALL CAP VALUE FUND
WELLS FARGO MONTGOMERY SMALL CAP FUND

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<b>WESTPORT FUNDS</b>
WESTPORT SELECT CAP FUND
<b>WEXFORD TRUST FUNDS</b>
MUHLENKAMP FUND
<b>WILLIAM BLAIR FUNDS</b>
WILLIAM BLAIR INTERNATIONAL GROWTH FUND
<b>WILSHIRE TARGET FUNDS</b>
WILSHIRE MUTUAL FUNDS INC - LARGE COMPANY GROWTH PORTFOLIO
<b>WORLD FUNDS</b>
THE WORLD FUNDS INC - EASTERN EUROPEAN EQUITY FUND
<b>WRIGHT FUNDS</b>
WRIGHT CURRENT INCOME FUND
WRIGHT INTERNATIONAL BLUE CHIP EQUITIES FUND
WRIGHT SELECTED BLUE CHIP EQUITIES FUND
<b>YACKTMAN FUNDS</b>
YACKTMAN FUND/THE