

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 51850 / June 14, 2005

Administrative Proceeding
File No. 3-11771

In the Matter of	:	Order Directing Appointment
	:	of Tax Administrator
Knight Securities, L.P.	:	
	:	
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	:	
	:	

The Commission has determined to appoint Heffler, Radetich & Saitta, L.L.P. (“HR&S”), a certified public accounting firm located in Philadelphia, Pennsylvania, as tax administrator in this proceeding.

Accordingly,

IT IS ORDERED that:

- A. Pursuant to Rule 1105(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, HR&S be appointed as tax administrator (the “Tax Administrator”) for the Fund with limited authority and power to: (1) act as the administrator for tax purposes for the qualified settlement fund (“QSF”); (2) prepare, sign, and file the necessary tax returns and tax-related documents for the Fund; (3) obtain the necessary tax-related documents and identifiers, such as an federal tax identification number, on behalf of the Fund; (4) perform other tax-related and reporting duties on behalf of the Fund as required by Department of the Treasury regulations relating to QSF administrators; and (5) communicate on behalf of the Fund on matters set forth in this paragraph.

- B. The bond requirement of Rule 1105(c) of the Commission’s Rules on Fair Fund and Disgorgement Plans is waived for good cause shown, specifically, as further described below, because the Tax Administrator shall never have custody or control of the Fund.

- C. The Tax Administrator shall submit, at least 30 days prior to any date on which a tax payment is required on behalf of any QSF, or as soon as is practicable, documents showing the amount necessary to satisfy the tax liability of each QSF as well as all other documents supporting such amount. The Tax Administrator shall submit the documents to the Escrow Agent, with a copy to the Commission staff member. The Escrow Agent is authorized to pay the amount of the documented taxes to the Tax Administrator by check or wire transfer from the fund. Such tax payments shall come first from any earnings or interest in the QSF, and second, if necessary, from the principal of the QSF. The Tax Administrator, in turn, shall be responsible for paying the taxes to the IRS and the relevant state taxing authority, if any, on behalf of the fund.
- D. The Tax Administrator shall comply with all reporting requirements applicable to a QSF as defined in Treasury Regulations Section 1.468B-1(a), as amended, and shall file on a timely basis all required federal, state, and local tax returns, and shall contemporaneously provide copies of such filings to the assigned Commission staff member.
- E. The Tax Administrator shall keep records and bill for the services provided to it. The bill shall be reviewed by the assigned Commission staff member. Respondent has agreed to pay for the expenses of the fund, the Tax Administrator will submit the bill to the Respondent for payment by check or wire transfer.

By the Commission.

Jonathan G. Katz
Secretary