

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 53437 / March 7, 2006

Administrative Proceeding  
File No. 3-11701

---

In the Matter of	:	Order Directing Appointment
	:	of Tax Administrator
Invesco Funds Group, Inc., AIM	:	
Advisors, Inc., and AIM Distributors,	:	
Inc.,	:	
	:	
Respondents	:	

---

By order dated October 8, 2004, the Commission ordered respondents AIM Advisors, Inc. (“AIM Advisors”) and AIM Distributors, Inc. (“ADI”) to collectively pay \$20 million in disgorgement and \$30 million in civil penalties. By that same order, the Commission also ordered respondent Invesco Funds Group, Inc. (“IFG”) to pay \$215 million in disgorgement and \$110 million in civil penalties, and ultimately ordered AIM Advisors, as the successor advisor to the IFG complex, to pay all of these amounts on behalf of IFG. According to the order, AIM Advisors, on behalf of IFG, was obligated to pay half of these amounts (\$107.5 million in disgorgement and \$55 million in civil penalties) to the Commission on or before December 31, 2004 and the other half of these amounts to the Commission on or before December 31, 2005. Pursuant to that order, on November 8, 2004, respondents AIM Advisors and ADI paid a total of \$50 million of disgorgement and penalty to the Commission (the “AIM Distribution Fund”), and on December 29, 2004 and October 12, 2005, respondent AIM Advisors, on behalf of IFG, made separate payments of \$162.5 million to the Commission (the “IFG Distribution Fund”). The AIM Distribution Fund and the IFG Distribution Fund are collectively referred to herein as the “Distribution Funds.” The Commission has solicited proposals from several tax firms, and has determined that Damasco & Associates, located in San Francisco, California, is best suited to act as tax administrator in this proceeding for each of the Distribution Funds.

Accordingly,

IT IS ORDERED that:

- A. Pursuant to Rule 1105(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, Damasco & Associates be appointed as tax administrator

(the “Tax Administrator”) for each of the Qualified Settlement Funds (“QSFs”)<sup>1</sup> with limited authority and power to: (1) act as the administrator for tax purposes for the QSF for both the AIM Distribution Fund and the IFG Distribution Fund; (2) prepare, sign, and file the necessary tax returns and tax-related documents for each of the QSFs; (3) obtain the necessary tax-related documents and identifiers, such as an employee identification number, on behalf of each QSF; (4) perform other tax-related and reporting duties on behalf of each QSF as required by Department of the Treasury regulations relating to QSF administrators; and (5) communicate on behalf of each QSF 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 either QSF;
- C. The Tax Administrator shall submit, at least 30 days prior to any date on which a tax payment is required on behalf of the QSFs, or as soon as is practicable, documents showing the amount necessary to satisfy the tax liability of the QSFs as well as all other documents supporting such amount. The Tax Administrator shall submit the documents to the Office of Financial Management (“OFM”), Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312, with a copy to the assigned Commission staff member. OFM shall pay the amount of the documented taxes to the Tax Administrator by check or wire transfer from each QSF. Such tax payments will come first from any earnings or interest in each QSF, and second, if necessary, from the principal of the relevant 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 each QSF;
- D. The Tax Administrator shall comply with all reporting requirements applicable to each 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 for each QSF; and

---

<sup>1</sup> 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, for tax purposes each Distribution Fund constitutes a QSF.

- E. The Tax Administrator shall keep records and bill each QSF for the services provided to it. Each bill shall be reviewed by the assigned Commission staff member. After the staff has approved the bill for payment, OFM shall pay the bill of the Tax Administrator by check or wire transfer from the each QSF. Payment shall come first from any earnings or interest in each QSF, and second, if necessary, from the principal of the relevant QSF. The fees billed shall be as agreed upon in the Tax Administrator's engagement letter accepted by the Commission on March 8, 2005.

By the Commission.

Nancy M. Morris  
Secretary