

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65245 / September 1, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-11393

In the Matter of

**MASSACHUSETTS FINANCIAL
SERVICES COMPANY, JOHN W.
BALLEN AND KEVIN R. PARKE**

Respondents.

**ORDER DIRECTING
DISBURSEMENT OF
DISTRIBUTION FUND**

On July 19, 2006, the Commission published a notice of the proposed Plan of Distribution proposed by the Division of Enforcement in connection with this proceeding (Exchange Act Release No. 54175). The Commission received comments and, on July 24, 2007, the Plan of Distribution was approved after certain clarifying modifications were made. See Exchange Act Release No. 56122 (July 24, 2007) (Order Approving Modified Distribution Plan). The Order approving the Modified Plan of Distribution was subsequently revised. See Exchange Act Release No. 56527 (September 25, 2007) (Revised Order Approving Modified Distribution Plan). The Plan of Distribution was further modified by Order of the Commission to provide for certain Additional Steps to be taken. See Exchange Act Release No. 63240 (November 10, 2010) (Order Modifying Distribution Plan and Directing Disbursement).

The Modified Plan of Distribution (“Plan”) provides that a Fair Fund consisting of disgorgement and civil penalties, plus amounts from third parties and any accrued interest, be transferred in portions to Deutsche Bank to be distributed by the Fund Administrator to injured investors according to the methodology set forth in the Plan. Paragraph 20 of the Plan provides that any amounts remaining in the Fund after the distribution to investors be considered Residual Distributions, which shall be distributed pro rata to the MFS Funds, based on each Fund’s percentage of Losses estimated from all Funds during the Period to which this matter relates.

The Plan provides that the Commission staff will arrange for transfer of the appropriate amount of the Distribution Fund when a Payment File listing the payees with the information required to make the Second Residual Distribution has been received and accepted. The Payment file for the Second Residual Distribution in the amount of \$23,022,752.60 has been received and accepted. A total of \$269,227.80 should be transferred to Deutsche Bank for the Second Residual Distribution.

Accordingly, IT IS ORDERED that

A. The Commission staff shall transfer \$269,227.80 of the Fair Fund to Deutsche Bank and the Fund Administrator shall include such monies in its distributions to the affected MFS Funds, as provided for in the Plan.

B. The Fund Administrator shall disburse the Residual Distributions to the affected MFS Funds, in the total amount stated in the validated payment file of \$23,022,752.60 as provided for in the Plan.

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

Elizabeth M. Murphy
Secretary