

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2452 / December 1, 2005**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 27171 / December 1, 2005**

**ADMINISTRATIVE PROCEEDING**  
**FILE NO. 3-12114**

|                                 |   |                                    |
|---------------------------------|---|------------------------------------|
| _____                           | : |                                    |
| <b>In the Matter of</b>         | : |                                    |
|                                 | : |                                    |
| <b>American Express</b>         | : | <b>ORDER DIRECTING APPOINTMENT</b> |
| <b>Financial Corporation</b>    | : | <b>OF TAX ADMINISTRATOR</b>        |
| <b>(now known as Ameriprise</b> | : |                                    |
| <b>Financial, Inc.),</b>        | : |                                    |
|                                 | : |                                    |
| <b>Respondent.</b>              | : |                                    |
| _____                           | : |                                    |

By order dated December 1, 2005, the Commission ordered Respondent American Express Financial Corporation (now known as Ameriprise Financial, Inc.) (“AEFC”) to pay disgorgement and prejudgment interest and a civil monetary penalty in the total amount of \$15 million to the Commission (the “Distribution Fund”) within 60 days of the entry of the order. 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.

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 the Distribution 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 Distribution Fund; (3) obtain the necessary tax-related documents and identifiers, such as an employee identification number, on behalf of the Distribution Fund; (4) perform other tax-related and reporting duties on behalf of the Distribution Fund as required by Department of the Treasury regulations relating to QSF administrators; and (5) communicate on behalf of the Distribution 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 Distribution 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 the QSF, or as soon as is practicable, documents showing the amount necessary to satisfy the tax liability of the QSF as well as all other documents supporting such amount. The Tax Administrator shall submit such 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 staff member. OFM shall pay the amount of the documented taxes to the Tax Administrator by check or wire transfer from the Distribution Fund. Such tax payments will 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 Distribution Fund.
- D. The Tax Administrator shall comply with all reporting requirements applicable to a qualified settlement fund 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 each QSF for the services provided to it. Each bill shall be reviewed by the assigned Commission staff member. The Tax Administrator will submit the bill to the Respondent for payment by check or wire transfer. 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.

Jonathan G. Katz  
Secretary