

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 61746 / March 19, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-12805

In the Matter of

**Evergreen Investment Management
Company, LLC, Evergreen
Investment Services, Inc., Evergreen
Service Company, LLC and
Wachovia Securities, LLC**

Respondents.

**ORDER APPOINTING A FUND
ADMINISTRATOR AND WAIVING BOND**

On September 19, 2007, the Commission instituted settled administrative proceedings against Evergreen Investment Management Company, LLC ("EIMCO"), Evergreen Investment Services, Inc. ("EIS"), Evergreen Service Company, LLC ("ESC"), and Wachovia Securities, LLC ("Wachovia Securities") in connection with the market timing of Evergreen mutual funds. *See Order Instituting Administrative and Cease-and-Desist Proceedings pursuant to Sections 15(b)(4), 17A(c)(3) and 21C of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order as to Evergreen Investment Management Company, LLC, Evergreen Investment Services, Inc., Evergreen Service Company, LLC and Wachovia Securities, LLC*, Admin. Proc. File No. 3-12805, Exchange Act Release No. 56462 (September 19, 2007) ("Evergreen Order"). Also on September 19, 2007, the Commission instituted settled administrative proceedings against William M. Ennis in connection with the market timing of one Evergreen mutual fund. *See Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 15(b)(6) and 17A(c)(4)(C) of the Securities Exchange Act of 1934, Sections 203(f) and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940 as to William M. Ennis*, Admin Proc. File No. 3-12806, Exchange Act Release No. 56464 (September 19, 2007) ("Ennis Order"). Among other things, the Evergreen Order and the Ennis Order required EIMCO, EIS, ESC, Wachovia Securities, and Ennis to pay a total of \$28,503,280 in disgorgement and \$4,150,000 in civil penalties. The Evergreen Order further required EIMCO to retain an independent distribution consultant ("IDC"), not unacceptable to the staff, to develop a distribution plan for the Fair Fund. EIMCO has

retained Kenneth Lehn, Ph.D., as the IDC, and has submitted the Distribution Plan to the Division of Enforcement, which has filed the plan with the Commission.

Dr. Lehn has proposed that Rust Consulting, Inc. be appointed as the Fund Administrator and that Rust Consulting not be required to post a bond generally required under Fair Fund Rule 1105(e). With respect to the bond, Dr. Lehn has noted that the Plan incorporates several layers of protection for the Fair Fund. Among other things, under the Plan: (1) the Fund Administrator will have no custody, and only limited control, of the Fair Fund; (2) the Fair Fund will be held by the U.S. Treasury Department's Bureau of the 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 the assets of the Escrow Bank, Deutsche Bank Trust Company Americas, 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 being 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 Division of Enforcement proposes that the Commission appoint Rust Consulting as the Fund Administrator of the Distribution Plan as proposed by the Plan, and waive the bond requirement of the Fund Administrator for the good cause shown in the Plan.

Accordingly, pursuant to Rules 1105(a) and (c) of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1105, IT IS HEREBY ORDERED that Rust Consulting is appointed as the Fund Administrator in accordance with the terms of the Distribution Plan and that the bond requirement is waived for good cause shown.

By the Commission.

Elizabeth M. Murphy
Secretary