

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63571 / December 17, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-12591

In the Matter of	:	ORDER TERMINATING THE FAIR
	:	FUND, DISCHARGING THE
	:	DISTRIBUTION FUND
	:	ADMINISTRATOR AND
Banc of America Securities LLC,	:	CANCELLING THE
	:	ADMINISTRATOR'S BOND
	:	
	:	
Respondent.	:	

On March 14, 2007, Banc of America Securities LLC (“BAS”) consented to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions Pursuant to Sections 15(b)(4) and 21C of the Securities Exchange Act of 1934, which directed, among other things, that BAS pay disgorgement of \$10 million and civil penalties of \$16 million, for a total payment of \$26 million, and that established a Fair Fund to provide for the distribution of funds to investors that were harmed by BAS’ conduct as described in the Order. The Order required a Distribution Fund Administrator (“DFA”) to be appointed by the Commission to develop a distribution plan. In the companion Order Appointing Distribution Fund Administrator and Directing Submission of Proposed Distribution Plan, the Commission appointed Francis McGovern as the DFA. That Order directed the DFA to develop a Distribution Plan for the distribution of the Fair Fund according to a methodology to be developed by the DFA in consultation with, and acceptable to, the staff of the Commission. A Proposed Distribution Plan was developed and submitted by August 2007.

On August 9, 2007, the Office of the Secretary, under its delegated authority, issued an order publishing the Notice of a Proposed Plan of Distribution (the “Distribution Plan”) (Securities Exchange Act Release No. 34-56234). Among other things, the Notice stated that all persons desiring to comment on the Distribution Plan could submit their views, in writing, no later than September 10, 2007 to the Office of the Secretary, by e-mail or regular mail. No comments were received during that thirty day period. Thereafter, on September 20, 2007, the Commission issued an Order approving the Distribution Plan. The Plan provided for the distribution of the Fair Fund to customers of BAS that were harmed by BAS’s conduct, under both a primary plan of distribution and a plan of residual

distribution. The Plan further provided that any amount remaining in the Fair Fund after all distributions were made, would be transferred to the U.S. Treasury.

On May 30, 2008, the Commission entered an order directing disbursement of \$26,619,141, consisting of the \$26 million in disgorgement and civil penalties and \$619,141 in interest accrued by the claims deadline. On June 23, 2008, checks were mailed to all of the eligible recipients. All distributions have been made. Some of the eligible recipients did not cash their checks, even after several reminders. As of now, the amount of \$398,863.45 remains in the Fair Fund.

The DFA submitted a Final Accounting pursuant to Rule 1105(f) of the Commission's Rules on Fair Fund and Disgorgement Plans, which was approved by the Commission. Pursuant to the DFA's Final Accounting, the \$398,863.45 remaining in the Fair Fund is to be transmitted to the U.S. Treasury.

Accordingly, IT IS ORDERED that:

- A. The Fair Fund is terminated and the \$398,863.45 remaining in the Fair Fund is to be transmitted to the U.S. Treasury;
- B. The Distribution Fund Administrator is discharged; and
- C. The Administrator's bond is to be released and cancelled immediately.

By the Commission.

Elizabeth M. Murphy
Secretary