

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 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 the QSF. 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 QSF.
- 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. 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 QSF. Payment shall come first from any earnings or interest in the QSF, and second, if necessary, from the principal of the 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.

Jonathan G. Katz
Secretary