

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 60705 / September 22, 2009**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12133**

**In the Matter of**

**Veras Capital Master Fund,  
VEY Partners Master Fund,  
Veras Investment Partners, LLC,  
Kevin D. Larson, and  
James R. McBride,**

**Respondents.**

**ORDER DISCHARGING PLAN  
ADMINISTRATOR AND  
TERMINATING FAIR FUND**

On August 10, 2006, the Commission published a Notice of the Plan of Distribution (“Plan”) proposed by the Division of Enforcement in connection with this proceeding (Securities Exchange Act of 1934 Release No. 54299). The Plan of Distribution proposed that a Fair Fund consisting of \$37,700,488.00 in disgorgement and civil penalties, plus any accrued interest, be distributed to the mutual funds affected by the Veras hedge funds’ trading (the Affected Mutual Funds) based on the sum of the disgorgement amount to a pro-rata apportionment of the penalty, prejudgment interest, and accrued interest. The Plan also provided that the Commission arrange for the Financial Management Service, United States Department of the Treasury to issue checks or electronically transfer funds to each Affected Mutual Fund its share of the Fair Fund.

On October 4, 2006, the Commission issued a Corrected Order Approving Distribution Plan of a Fair Fund (Securities Exchange Act of 1934 Release No. 54568A) and appointed Peter J. Henning, Esq., as Plan Administrator. On February 27, 2007, the Commission issued an Order Directing Disbursement of Fair Fund (Securities Exchange Act of 1934 Release No. 55363) providing for distribution of the funds pursuant to the Plan. On March 21, 2007, the distribution of \$38,755,624.80 was made to 817 Affected Mutual Funds. On June 1, 2007, the Commission issued a Second Order Directing Disbursement of Fair Fund (Securities Exchange Act of 1934 Release No. 55847) providing for distribution to one additional Affected Mutual Fund in the amount of \$756.65, which was made on May 2, 2007.

The Plan Administrator 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 Plan Administrator’s Final Accounting all tax liabilities have been satisfied and the \$204,667.65 remaining in the Fair Fund held by the SEC is to be transmitted to the U.S. Treasury.

Accordingly, IT IS ORDERED the Fair Fund is terminated.

IT IS FURTHER ORDERED THAT the Plan Administrator is discharged.

By the Commission.

Elizabeth M. Murphy  
Secretary