

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77498 / April 1, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-12114

In the Matter of

American Express Financial Corporation
(now known as Ameriprise Financial, Inc.)

Respondent.

ORDER APPOINTING FUND
ADMINISTRATOR AND SETTING
ADMINISTRATOR BOND AMOUNT

On December 1, 2005, Respondent American Express Financial Corporation (“AEFC” or “Respondent”) consented to an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 203(e) and 203(k) of the Investment Advisors Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (“Order”).¹ The Order found that AEFC allowed market timing in certain of its mutual funds and variable annuity products from January 1, 2002 through October 2003 that was contrary to fund prospectuses and not disclosed to shareholders and AEFC directors. The Order required Respondent to pay disgorgement of \$10,000,000 and a civil money penalty of \$5,000,000 and established a Fair Fund in the total amount of \$15,000,000 for a distribution to harmed investors pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002.

¹ Advisers Act Rel. No. 2451 (December 1, 2005).

The Division of Enforcement (“Division”) now seeks the appointment of Rust Consulting, Inc. (“Rust”) as the fund administrator and requests that the administrator’s bond be set at \$15,000,000 as required by Rules 1105(a) and 1105(c) of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Rules”). Rust is included in the Commission’s approved pool of administrators.

Accordingly, IT IS HEREBY ORDERED, that pursuant to Rule 1105(a) Rust is appointed as the fund administrator and shall obtain a bond in accordance with Rule 1105(c) in the approved amount of \$15,000,000.

By the Commission.

Brent J. Fields
Secretary