

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 82333 / December 14, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-12372

In the Matter of

**WADDELL & REED, INC.,
WADDELL & REED INVESTMENT
MANAGEMENT COMPANY, AND
WADDELL & REED SERVICES
COMPANY,**

Respondents.

**ORDER DIRECTING
DISBURSEMENT OF A FAIR FUND**

On April 23, 2013, pursuant to Rule 1103 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, the Commission published a Notice of Proposed Plan of Distribution and Opportunity for Comment ("Notice"). Exchange Act Rel. 69437. The Commission received no comments and on August 9, 2013, the Commission issued an order approving the Plan of Distribution ("Plan"). Exchange Act Rel. 70151.

The Plan provides that a Fair Fund consisting of \$50,000,000 in disgorgement and civil penalties, plus accrued interest, be transferred to Deutsche Bank to be distributed by the Fund Administrator to the injured individual accountholders and any monies not distributed to individual accountholders may be disbursed to the timed W&R Funds¹ according to the methodology set forth in the Plan. Pursuant to the Plan and following the issuance of Orders Directing Disbursement, the Independent Distribution Consultant ("IDC") and the Fund Administrator, in four tranches, distributed \$52,706,556.39 to individual accountholders,² of which \$44,099,694.89 has been successfully distributed and cashed, leaving \$9,153,949.10 including accrued interest in the Fair Fund ("Unclaimed Distributions").

¹ All terms used herein but not defined shall have the same meanings as ascribed to them in the Plan.

² See Order Directing Disbursement of a Fair Fund, Exchange Act Rel. No. 72610 (July 15, 2014), Order Directing Disbursement of a Fair Fund, Exchange Act Rel. No. 74079 (Jan. 16, 2015), Order Directing Disbursement of a Fair Fund, Exchange Act Rel. No. 74756 (Apr. 17, 2015), and Order Directing Disbursement of a Fair Fund, Exchange Act Rel. No. 75485 (July 17, 2015).

The Commission staff is satisfied that the IDC and the Fund Administrator have taken all steps required under the Plan to distribute the Fair Fund to individual accountholders. The Commission staff, IDC, and the Fund Administrator have determined that it is economically feasible to make a residual distribution with the Unclaimed Distributions to the W&R Funds in accordance with the Plan. The Plan provides that the Commission will arrange for distribution of the Fair Fund when a payment file listing the payees with the information required to make the distribution has been received and accepted. A payment file for distribution in the amount of \$9,153,949.10 has been received and accepted.

Accordingly, it is ORDERED that the Commission staff shall transfer \$541,990.33 to Deutsche Bank and the Fund Administrator shall distribute this sum, along with the \$8,611,958.77 in funds held at Deutsche Bank for a total distribution of \$9,153,949.10, to six (6) affected W&R Funds in accordance with the Plan.

By the Commission.

Brent J. Fields
Secretary