

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 77497 / April 1, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-12114

In the Matter of

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

Respondent.

**NOTICE OF PROPOSED PLAN OF
DISTRIBUTION AND OPPORTUNITY
FOR COMMENT**

Notice is hereby given, pursuant to Rule 1103 of the Securities and Exchange Commission's ("Commission") Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, that the Division of Enforcement has submitted to the Commission a proposed plan ("Distribution Plan") for the distribution of monies placed into a Fair Fund in the above-captioned matter.

On December 1, 2005, the Commission issued 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") against Respondent American Express Financial Corporation ("AEFC" or "Respondent").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).

OPPORTUNITY FOR COMMENT

Pursuant to this Notice, all interested parties are advised that they may print a copy of the Distribution Plan from the Commission's public website at <http://www.sec.gov/litigation/fairfundlist.htm>. Interested parties may also obtain a written copy of the Distribution Plan by submitting a written request to Kara M. Washington, United States Securities and Exchange Commission, 175 West Jackson Boulevard, Suite 900, Chicago, Illinois 60604. All persons who desire to comment on the Distribution Plan may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-1090;
2. by using the Commission's Internet comment form (<http://www.sec.gov/litigation/admin.shtml>); or
3. by sending an e-mail to rule-comments@sec.gov.

Comments submitted should include "Administrative Proceeding File No. 3-12114" in the subject line. Comments received will be publicly available. Persons should submit only information that they wish to make publicly available.

THE DISTRIBUTION PLAN

The Distribution Plan provides for distribution of the Fair Fund established in this matter, which contains \$15,000,000 million in disgorgement and civil penalties paid by Respondent, plus accumulated interest, to eligible investors. Eligible investors are those investors who suffered losses to their holdings in AEFC funds as a result of market-timing activity between January 1, 2002 and September 30, 2003. As proposed in the Distribution Plan, if approved, eligible investors will receive a share of the Fair Fund as calculated by the Fund Administrator. The calculation will be based on records obtained from AEFC and certain other entities that are shareholders of record. Accordingly, eligible investors do not need to submit a claim in order to be considered for a distribution, and no claims procedure will be implemented.

By the Commission.

Brent J. Fields
Secretary