

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 61256 / December 30, 2009**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13019**

**In the Matter of**

**Gabelli Funds LLC,**

**Respondent.**

**ORDER APPROVING DISTRIBUTION  
PLAN**

On April 24, 2008, the Commission instituted settled administrative proceedings against Gabelli Funds LLC (“Gabelli Funds”) regarding an undisclosed market-timing agreement. *See Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order*, Admin. Proc. File No. 3-13019, Investment Advisers Act Rel. No. 2727 (April 24, 2008) (“Order”). Among other things, the Commission ordered Gabelli Funds to pay a total of \$16 million in disgorgement, prejudgment interest, and penalty.

On September 11, 2009, the Commission published a “Notice of Proposed Plan of Distribution and Opportunity for Comment” (“Notice”) in connection with this proceeding pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103. The Notice advised interested parties that they could obtain a copy of the proposed plan of distribution (“Distribution Plan”) by printing a copy from the Commission’s public website or by submitting a written request to Christopher R. Conte in the Commission’s Washington, D.C. office.

The Notice also advised that all persons desiring to comment on the Distribution Plan could submit their views, in writing, within 30 days of the date of the Notice, to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC, 20549-1090; by using the Commission’s Internet comment form; or by sending an e-mail to rule-comments@sec.gov. The Commission received no comments on the Distribution Plan.

The Fair Fund will be distributed by the methodology described in the Distribution Plan to compensate eligible investors for the impaired value of their investment as a result of market timing. The Distribution Plan describes the procedures that will be used to identify the investors who will receive distributions under the Plan. It further provides the procedures that will be used to calculate the total amounts to be paid to the eligible investors and the process for distribution of those amounts to them.

The Division of Enforcement requests that the Commission approve the Distribution Plan as written.

The Commission finds that the Distribution Plan provides for an appropriate distribution of the monies paid by Gabelli Funds LLC pursuant to the Order.

Accordingly, IT IS HEREBY ORDERED, pursuant to Rule 1104 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. §201.1104, that the Distribution Plan is approved.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy  
Secretary