

MEMO# 1934

May 22, 1990

REMINDER CONCERNING INVESTMENT ADVISER PERFORMANCE DATA

May 22, 1990 TO: INVESTMENT ADVISER MEMBERS NO. 20-90 INVESTMENT ADVISER ASSOCIATE MEMBERS NO. 19-90 RE: REMINDER CONCERNING INVESTMENT ADVISER PERFORMANCE DATA _____ As we previously informed you, the Division of Investment Management has permitted investment advisers to deduct a "model fee", as opposed to the adviser's actual fee, until May 27, 1990 when advertising performance data. (See Memorandum to Investment Adviser Associate Members No. 58-89 and Investment Adviser Members No. 59-89, dated December 11, 1989.) This is to remind you that beginning on May 27, 1990, any advertisement that includes performance data must reflect the deduction of the adviser's actual fee, except that gross performance data may be presented on a one-on-one basis provided certain conditions are satisfied. (See Memorandum to Investment Adviser Members No. 42- 88 and Investment Adviser Associate Members No. 43-88, dated October 3, 1988.) In addition, if the period advertised includes performance data from before and after May 27, 1990, the adviser should include appropriate disclosure explaining that the results reflect both the deduction of a "model fee" and the deduction of the adviser's actual fee. Amy B. Rosenblum
Assistant General Counsel

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.