

**MEMO# 11933**

June 7, 2000

# **LAWSUIT FILED AGAINST THE INSTITUTE ALLEGING VIOLATIONS OF SECTIONS 17(D) AND 36(B) OF THE INVESTMENT COMPANY ACT**

\* Rohrbaugh, et al. v. Investment Company Institute, Case No. 1:00CV01237 (D.C. Dist. Ct., May 31, 2000). [11933] June 7, 2000 TO: BOARD OF GOVERNORS No. 31-00 PRIMARY CONTACTS - MEMBER COMPLEX No. 36-00 RE: LAWSUIT FILED AGAINST THE INSTITUTE ALLEGING VIOLATIONS OF SECTIONS 17(d) AND 36(b) OF THE INVESTMENT COMPANY ACT

A lawsuit has been filed against the Institute alleging: (1) that the Institute is an affiliate of investment companies and investment advisers and, before engaging in joint transactions with these parties, was required to seek an exemptive order from the Securities and Exchange Commission under Section 17(d) of the Investment Company Act of 1940; and (2) in the alternative, that the Institute breached its fiduciary duty under Section 36(b) through its receipt of fees from investment companies while primarily advancing the agenda of investment advisers.\* A copy of the Complaint is attached. The Institute strongly believes that this action is frivolous and without merit; and we intend to seek its prompt dismissal. We will keep you apprised of developments in this matter as they occur. Matthew P. Fink  
President Attachment

---

**Source URL:** <https://icinew-stage.ici.org/memo-11933>

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.