

MEMO# 1849

April 18, 1990

OHIO - NEW RECORDS RETENTION SCHEDULE [A

April 18, 1990 TO: STATE SECURITIES MEMBERS NO. 8-90 SMALL FUNDS COMMITTEE NO. 7-90 RE: OHIO - NEW RECORDS RETENTION SCHEDULE

The Institute has recently been advised that the Ohio Securities Division implemented a new records retention schedule that may affect mutual funds that originally registered securities from October 1975 to August 1978. During this period, mutual funds were allowed to register a definite amount of securities to be sold without an expiration date limitation, i.e., a "good until sold" registration statement. The new records retention schedule will be an eight year period, and as such, the Division will not be maintaining records for companies that registered during the above-referenced time period. Therefore, a possibility exists that a fund may still have registered securities that have not been sold. The Division believes that the number of funds with such unsold registered securities is less than a dozen and would like these funds to voluntarily register to avoid possible enforcement action. For example, since all records prior to 1982 will be destroyed, the Division feels that if it receives an inquiry from the public as to whether a particular mutual fund is registered with the Division, and no record exists (even though the fund may still have registered unsold securities), the Division could conceivably initiate an investigation of the fund based on unregistered sales of securities in Ohio. Patricia Louie Assistant General Counsel

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