

MEMO# 1967

June 14, 1990

DRAFT COMMENT LETTER RECOMMENDING EXTENSION OF REGULATION S TO OPEN-END INVESTMENT COMPANIES AND UNIT INVESTMENT TRUSTS

June 14, 1990 TO: SEC RULES COMMITTEE NO. 33-90 UNIT INVESTMENT TRUST COMMITTEE NO. 26-90 INTERNATIONAL FUNDS TASK FORCE NO. 13-90 RE: DRAFT COMMENT LETTER RECOMMENDING EXTENSION OF REGULATION S TO OPEN-END INVESTMENT COMPANIES AND UNIT INVESTMENT TRUSTS

As you know, the SEC recently adopted Regulation S, which is intended to clarify the extraterritorial application of the registration provisions of the Securities Act of 1933. Those provisions generally do not apply to offers and sales of securities that take place outside of the United States. Regulation S provides two safe harbors from 1933 Act registration requirements for specified transactions but, as adopted, it is not available with respect to offers and sales of securities issued by open-end investment companies or unit investment trusts registered or required to register under the Investment Company Act of 1940. In the release adopting Regulation S, however, the SEC asked for comments on whether it should be extended to registered mutual funds and unit investment trusts. Attached for your review is a draft comment letter recommending that Regulation S be revised to apply to offers and sales of securities issued by registered open-end investment companies and unit investment trusts. Please provide me with any additional comments you may have by Friday, June 22. Frances M. Stadler Assistant General Counsel Attachment