

MEMO# 10677

January 27, 1999

DRAFT COMMENT LETTER ON SEC PROPOSED AMENDMENTS TO RULE 8F-1 AND FORM N-8F

* See Memorandum to Closed-End Investment Company Committee No. 27-98, Memorandum to SEC Rules Committee No. 127-98, and Memorandum to Unit Investment Trust Committee No. 39-98, dated December, 14, 1998. [10677] January 27, 1999 TO: CLOSED-END INVESTMENT COMPANY COMMITTEE No. 1-99 SEC RULES COMMITTEE No. 4-99 UNIT INVESTMENT TRUST COMMITTEE No. 2-99 RE: DRAFT COMMENT LETTER ON SEC PROPOSED AMENDMENTS TO RULE 8f-1 AND FORM N-8F

Attached for your review is a draft of the Institute's comment letter on the Securities and Exchange Commission's proposed amendments to Rule 8f-1 and Form N-8F under the Investment Company Act of 1940, which govern the deregistration of investment companies.* The proposed amendments also would require the electronic filing of Form N-8F, including all exhibits and subsequent amendments, through the Commission's EDGAR system. The proposed amendments to Form N-8F would simplify the form, eliminate unnecessary items, and refocus the questions to better elicit the information the Commission needs to make the finding under Section 8(f) to deregister a fund. Comments on the proposed amendments to Rule 8f-1 and Form N-8F are due to the SEC by Friday, February 5th. Please provide your comments on the draft letter to Barry E. Simmons by phone at (202) 326-5923, by fax at (202) 326-5839, or by e-mail to simmonbe@ici.org by Wednesday, February 3rd. The Institute's draft letter supports the Commission's proposed amendments and notes that the changes would facilitate completion of the form and, thus, ultimately expedite the registration process. The letter also recommends that funds be relieved of their obligation to file the Form N-SAR where the fund has filed a Form N-8F on or before the date on which the next Form N-SAR is required to be filed. The letter explains that, in that situation, the N-SAR filing is unnecessary, and relieving funds of the regulatory burden of having to complete and file the form (and the Commission staff of having to review it) would promote greater efficiency in the use of both Commission and fund resources and would also provide an incentive to funds to file the Form N-8F in a more timely manner. Barry E. Simmons Assistant Counsel Attachment