

MEMO# 13540

May 24, 2001

SEC SEMI-ANNUAL REGULATORY AGENDA

[13540] May 24, 2001 TO: CLOSED-END INVESTMENT COMPANY COMMITTEE No. 8-01 INVESTMENT ADVISERS COMMITTEE No. 14-01 SEC RULES COMMITTEE No. 40-01 UNIT INVESTMENT TRUST COMMITTEE No. 16-01 RE: SEC SEMI-ANNUAL REGULATORY AGENDA

The Securities and Exchange Commission has published its semi-annual agenda of rulemaking actions.¹ A copy of the agenda is attached. Division of Investment Management items are listed on attached Federal Register pages 26619-20 and summarized on pages 26625-33. The agenda was compiled on March 30, 2001, and the deadline for comments is June 29, 2001. Set forth below is a summary of changes to the Division's agenda related to investment companies and investment advisers that have occurred since the last semi-annual agenda was published that may be of interest to Institute members.

A. The following new items have been added to "Proposed Rule Stage":

1. Exemption for Investment Advisers Operating Through the Internet (permitting certain investment advisers operating through the Internet to register with the Commission) (p. 26626)
2. Certain Thrift Institutions Deemed not to be Investment Advisers (excepting from the definition of investment adviser thrift institutions that provide investment advice to certain clients) (p. 26626)
3. Electronic Recordkeeping by Investment Companies and Investment Advisers (expanding the ability of funds and advisers to use electronic storage media to maintain and preserve records) (p. 26627)
4. Rulemaking for EDGAR System (amending rules and forms to expand the categories of mandatory electronic filings to include fund exemptive applications and certain other filings) (p. 26628)

1 SEC Rel. Nos. IC-24926 and IA-1936 (April 5, 2001); 66 Fed. Reg. 26617 (May 14, 2001).

B. The following two items have been reclassified to "Final Rule Stage":

From Proposed Rule Stage:

1. Exemption for the Acquisition of Securities During the Existence of an Underwriting or Selling Syndicate (permitting purchases of government securities during the existence of an underwriting involving a fund's affiliate, and requiring aggregation of purchases made by a fund and any other account over which the fund's adviser exercises control) (p. 26630)

From Completed Actions:

2. Amendments to Form ADV (adopting final amendments to Part 2 of Form ADV and related rules) (p. 26629)

C. The following item has been reclassified from "Proposed Rule Stage" to "Long-Term Actions":

1. Exemption for Subsidiaries Organized to Finance Operations of Domestic or Foreign Companies; Certain Prima Facie Investment Companies (expanding Rule 3a-5 to permit reliance by finance subsidiaries of U.S. banks and insurance companies, and amending Rule 3a-1 to permit reliance by certain holding companies of foreign banks and foreign insurance companies) (p. 26631)

D. The following four items have been reclassified to "Completed Actions":

From Final Rule Stage:

1. Role of Independent Directors of Investment Companies (requiring enhanced disclosure about fund directors in disclosure documents) (p. 26632)
2. Investment Company Names (requiring a fund to invest at least 80 percent of its assets in the types of investments suggested by its name)

(p. 26632) 3. Mutual Fund After-Tax Returns (requiring fund disclosure of after-tax returns based on standardized formulas) (p. 26633) From Long-Term Actions: 4. Mutual Fund Fee Disclosure (requiring additional fund fee disclosure in quarterly account statements) (p. 26632-33) Barry E. Simmons Associate Counsel Attachment 3Attachment (in .pdf format)

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