

**MEMO# 7849**

May 8, 1996

## **HAWAII AMENDS EXEMPTION FROM REGISTRATION**

May 8, 1996 TO: SEC RULES COMMITTEE No. 34-96 SMALL FUNDS COMMITTEE No. 6-96  
STATE SECURITIES MEMBERS No. 9-96 UNIT INVESTMENT TRUST MEMBERS No. 11-96 RE:  
HAWAII AMENDS EXEMPTION FROM REGISTRATION

Effective July 1, 1996, Hawaii's exemption from registration for investment companies will no longer be free or self-executing. Additionally, it will only be available to those companies that meet the "blue-chip" criteria. Recently enacted amendments to the Hawaii Securities Act: (1) require the registration of all mutual funds and unit investment trust that do not meet the blue-chip criteria; and (2) impose a notice filing requirement and assess a fee on those funds and trusts that claim the exemption. The fee for claiming the exemption initially will be \$200 per fund or trust, with a \$50 annual renewal fee. The Institute is currently working with Hawaii's Securities Commissioner to determine the filing requirements and procedures for claiming the exemption, as well as for registering securities. As soon as such information is available, it will be disseminated by the Institute. A copy of the relevant amendments to the Hawaii Securities Act is attached. Tamara K. Cain Assistant Counsel

Attachment Note: Not all recipients of this memo will receive an attachment. If you wish to obtain a copy of the attachment referred to in this memo, please call the Institute's Information Resource Center at (202)326-8304, and ask for this memo's attachment number: 7849.