

MEMO# 6540

January 10, 1995

INSTITUTE'S SURVEY OF INCONSISTENT STATE INVESTMENT COMPANY REQUIREMENTS

January 10, 1995 TO: SEC RULES COMMITTEE No. 4-95 STATE LIAISON COMMITTEE No. 2-95
RE: INSTITUTE'S SURVEY OF INCONSISTENT STATE INVESTMENT COMPANY REQUIREMENTS

_____. Attached is a copy of a summary prepared by the Institute entitled "Inconsistent State Investment Company Requirements." The summary, which includes a discussion of federal law and any analogous inconsistent state law provisions, was prepared to assist the NASAA Investment Companies Committee (the "Committee") in its survey of state laws to determine those states that continue to apply the Policy on Open-End Investment Companies that was issued by the Central States Administrators Council in 1971 (the "CSAC Policy"). In conjunction with preparing this summary, the Institute has written a letter to the Committee encouraging it to broaden its survey. Rather than limiting its review to those inconsistent state law provisions that are based on the CSAC Policy, the Institute has recommended that the Committee review all state investment limitations and disclosure requirements imposed on investment companies that are inconsistent with federal law and assess the continued efficacy of such provisions. In addition, the Institute's letter requests that the Committee encourage states that have adopted provisions substantially similar to federal law to interpret such provisions consistently with federal law. A copy of the Institute's letter to the Committee is also attached. Marguerite C. Bateman Assistant Counsel Attachment