

**MEMO# 2404**

December 20, 1990

## **MASSACHUSETTS REDUCES REGISTRATION FEE FOR UNIT TRUSTS**

- 1 - December 20, 1990 TO: UNIT INVESTMENT TRUST MEMBERS NO. 78-90 RE:  
MASSACHUSETTS REDUCES REGISTRATION FEE FOR UNIT TRUSTS

As we previously informed you, earlier this year the Massachusetts Securities Division re-interpreted the manner in which filing fees are calculated by stating that the filing fee for initial or amended registrations of public offerings of securities is to be based upon the aggregate amount of the offering nationwide rather than the amount of the offering registered in Massachusetts. The result of this new interpretation is that the sponsor of a unit investment trust must pay the maximum filing fee of \$1,500 for each series of a unit trust registered in Massachusetts. (See Memorandum to Unit Investment Trust Members No. 2-90, dated January 16, 1990.) For the past several months, the Institute has been working with the Massachusetts Securities Division to remedy this problem. Legislation was introduced that established a one-time filing fee of \$750 for each series of a unit trust. However, action was not taken by the Massachusetts Legislature during the last legislative session and the bill will be re-considered in the upcoming session. We are pleased to inform you that the Massachusetts Securities Division has agreed to promulgate an emergency rule implementing the one-time filing fee of \$750 for each series of a unit investment trust while the legislation is pending. The emergency rule is anticipated to be filed with the Office of Regulations on January 2, 1991 and will be effective as of that date. The provisions of the emergency rule will remain in effect until legislation implementing the one-time filing fee has been adopted by the Legislature. A new subsection (j) will be added to Rule 950 CMR 14.402(B)(13) which provides an exemption for unit investment trusts provided that the requisite documents and the \$750 filing fee are submitted in a timely manner. Primarily, the same documents that are currently required to be filed for a unit trust registering its units must be filed in order to claim the - 2 - exemption (Form U-1, Form U-2, a copy of the federal registration - 3 - statement, any amendments to the federal registration statement, final pricing amendment, notice of effectiveness, sales literature, etc.) Please be aware that even though the emergency rule provides an exemption from registration for the units of the unit trust, the filing will be reviewed for compliance with the registration provisions of the Massachusetts Securities Act. \* \* \* A copy of the proposed emergency rule is attached. We will keep you advised of further developments. Patricia Louie Assistant General Counsel  
Attachment

should not be considered a substitute for, legal advice.