

**MEMO# 1055**

March 21, 1989

## **SEC DENIES NO-ACTION REQUEST OF BANK COMMON TRUST FUND THAT RECEIVES MONIES FROM OTHER COMMON TRUST FUNDS**

March 21, 1989 TO: SEC RULES MEMBERS NO. 19-89 RE: SEC DENIES NO-ACTION REQUEST OF BANK COMMON TRUST FUND THAT RECEIVES MONIES FROM OTHER COMMON TRUST FUNDS \_\_\_\_\_ The Division of Investment Management has denied a no- action request under Section 3(c)(3) of the 1940 Act by a bank holding company that wished, through its affiliated bank, to (1) receive monies from common trust funds of unaffiliated banks and invest those monies in its own common trust funds and (2) advertise the availability of those funds in publications designed for corporate fiduciaries. (The Northern Trust Company, publicly available March 1, 1989.) In its reply, the staff stated that it appeared that the bank would not be holding the monies for a "bona fide fiduciary purpose" but rather was using a "trust guide" to attract money for investment purposes alone. The staff also stated that the direct mail advertising would fall outside the scope of Section 3(c)(3). A copy of the correspondence is attached. Craig S. Tyle Assistant General Counsel Attachment

---

**Source URL:** <https://icinew-stage.ici.org/memo-1055>

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.