July 31, 1989

ILLINOIS AMENDS REGISTRATION PROCEDURE

July 31, 1989 TO: STATE SECURITIES MEMBERS NO. 29-89 UNIT INVESTMENT TRUST MEMBERS NO. 40-89 RE: ILLINOIS AMENDS REGISTRATION PROCEDURE _____ The Institute has been actively working with the Illinois Securities Department to amend the Department's registration procedures for uniformity with the other states. We are pleased to announce that payment of fees may now be made by check or money order; a certified or cashier's check is no longer required. In addition, several other amendments to the Illinois Securities Act were adopted. The following is a brief description of the changes made. GENERAL PROVISIONS All applications for registration of securities or exemption from registration and any documents required to be submitted as part of the registration process, must be filed at the Springfield Office located at 900 Spring Street, Springfield, Illinois 62704. Failure to file, or file timely, any required post- registration document subjects the applicant to an additional $50.00 fee. INITIAL REGISTRATION Applications for registration of securities must be on file with the Department at least ten business days prior to effectiveness. Previously, an application was required to be filed at least seven days prior to effectiveness. In addition, fees have been established for failure to notify the Department within two days of SEC effectiveness. The fee for notification of the Department between the third and twelfth day is $10.00 per day, with a maximum of $50.00. If notice is given after the thirteenth day, the fee is $10.00 per day with a maximum of $2,500.00. - 2 - The Department requires that a copy of the registration statement (without exhibits), rather than the prospectus, and the name of at least one registered dealer be submitted in the initial filing in addition to Form U-1 and U-2 (or Illinois Form 10) and the filing fee. AMENDMENTS Amendments may be made during the registration period by filing Illinois Form 7D-7E, and payment of $100.00. Attachment A is a copy of revised Illinois Form 7D-7E. An amendment must be made if there is a change in the applicant's name or address, if additional classes of securities are elected to be registered, or if there is a change in the applicant's plan of operation or organization. RENEWALS Applications for renewal must be filed no later than ten days prior to the expiration of the registration. Previously, applications for renewal were required to be filed no later than seven days prior to expiration. Fees have also been established for failure to timely renew the registration. If the application for renewal is submitted less than ten days prior to the expiration of the registration, the applicant must pay an additional fee of $200.00. If the application for renewal is submitted after the expiration date of the registration, the applicant must pay an additional fee of $200.00 plus $100.00 per day until the application is filed (maximum $10,000.00). Applications for renewal will not be accepted by the Department more than one year after the most recent expiration of the registration or renewal of registration. In addition to the renewal application and fee, a copy

of the most current prospectus and Statement of Additional Information and the name of at least one registered dealer offering or selling the securities or the name of at least one salesperson who has complied with the agent registration provisions of the Department must be submitted. The prior restriction on the number of times a registration may renew has been deleted from the Securities Act. - 3 - * * * A copy of the pertinent provisions of the Emergency Rules adopted on July 1, 1989 are attached as Attachment B. Patricia Louie Assistant General Counsel Attachments