

MEMO# 2196

September 19, 1990

INSTITUTE LETTER TO WASHINGTON ON BONDING REQUIREMENTS

September 19, 1990 TO: SEC RULES MEMBERS NO. 65-90 RE: INSTITUTE LETTER TO
WASHINGTON ON BONDING REQUIREMENTS

_____ As we previously informed you, legislation was enacted in Washington authorizing the state of Washington or local governments in the state of Washington to invest in certain mutual funds or money market funds provided that the mutual fund or money market fund posted a bond with the office of risk management. (See Memorandum to SEC Rules Members No. 46-90.) The Institute submitted a letter to the Washington Treasurer's Office recommending that in light of the detailed federal regulation of mutual funds, particularly the bond requirement set forth in Section 17(g) of the Investment Company Act of 1940, that the fidelity bond required by the SEC be deemed to satisfy the Washington bond requirement. A copy of the Institute's letter is attached. We will keep you advised of developments. Patricia Louie Assistant General Counsel Attachment

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