

MEMO# 1057

March 22, 1989

INSTITUTE DISMISSES LAWSUIT AGAINST OKLAHOMA

March 22, 1989 TO: INVESTMENT ADVISERS COMMITTEE NO. 15-89 RE: INSTITUTE DISMISSES LAWSUIT AGAINST OKLAHOMA

As of February 24, 1989, the Institute officially dismissed its lawsuit against the Oklahoma Securities Commission concerning registration of agents and requirements that advisers successfully pass an examination and submit an audited balance sheet. A copy of the Order of Dismissal is attached. In the early 1980's, the Institute and the Investment Counsel Association of America, Inc. filed a lawsuit against the Oklahoma Securities Commission and its administrator alleging that they had no statutory authority to require, among other things, the registration of an individual agent as an investment adviser, that an investment adviser pass an examination as a precondition of registration, or that an investment adviser, which does not maintain custody of client funds or securities, submit an audited balance sheet. Because of the enactment of certain laws in Oklahoma and because the Oklahoma Securities Commission no longer requires an adviser, which does not maintain custody of client funds or securities, to submit an audited balance sheet, the Institute and the ICAA agreed to dismiss the suit. Robert L. Bunnen, Jr. Assistant General Counsel Attachment

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