

MEMO# 2698

April 18, 1991

LEGISLATION PASSED IN MASSACHUSETTS SETTING REGISTRATION FEE FOR UNIT INVESTMENT TRUSTS

April 18, 1991 TO: UNIT INVESTMENT TRUST MEMBERS NO. 14-91 RE: LEGISLATION PASSED
IN MASSACHUSETTS SETTING REGISTRATION FEE FOR UNIT INVESTMENT TRUSTS

As we previously informed you, in January 1990 the Massachusetts Securities Division re-interpreted the manner in which registration fees are calculated to require that the fee be based upon the aggregate amount of the offering nationwide rather than the amount of the offering in Massachusetts. The effect of the new interpretation was that the sponsor of a unit investment trust would have to pay the maximum filing fee of \$1,500 for each series of a unit trust registered in Massachusetts. As a result of the Institute's negotiations with the Massachusetts Securities Division, an emergency rule was implemented, effective January 2, 1991 setting a one-time registration fee of \$750 for each series of a unit trust. (See Memoranda to Unit Investment Trust Members No. 2-90, dated January 16, 1990 and No. 78-90, dated December 20, 1990.) The Institute is pleased to inform you that legislation has been signed by the Governor establishing a one-time registration of \$750 for unit investment trusts. This fee covers both the initial registration and any subsequent resales of units of a unit investment trust in Massachusetts. This is particularly important since the Division amended the manual exemption in June 1990 to require that a manual listing contain a profit and loss statement covering a full year of operations for the issuer; thus, sponsors of trusts may not have been able to claim the manual exemption for resales of units of unit trusts until such financials had been prepared and published in the appropriate manual. (See Memorandum to Unit Investment Trust Members No. 33- 90, dated June 12, 1990.) A copy of Section 75 of House No. 5300 setting forth the one-time registration fee for unit investment trusts is attached and is effective as of March 22, 1991. Patricia Louie Assistant General Counsel
Attachment