

MEMO# 1526

November 10, 1989

SEC SEMIANNUAL REGULATORY AGENDA

November 10, 1989 TO: CLOSED-END FUND COMMITTEE NO. 50-89 INVESTMENT ADVISERS COMMITTEE NO. 47-89 SEC RULES COMMITTEE NO. 72-89 UNIT INVESTMENT TRUST COMMITTEE NO. 78-89 RE: SEC SEMIANNUAL REGULATORY AGENDA

The Securities and Exchange Commission recently published its semiannual regulatory agenda announcing intended rulemaking actions, a copy of which is attached. The Commission is requesting comments by December 31, 1989. Please provide me with any comments you have on the agenda by December 12. Set forth below are certain agenda items which are of particular relevance to investment companies and investment advisers. New items are asterisked. Proposed Rule Stage: Comprehensive revision of rules promulgated under Section 16 of the Securities Exchange Act of 1934. (p. 45650)* Multijurisdictional disclosure system that would permit certain Canadian issuers to register securities in the U.S. using disclosure documents prepared in compliance with Canadian regulatory requirements. (p. 45651) Alternative form of mutual fund governance. (p. 45653) Amendment to Rule 17j-1 to reduce the reporting requirements for investment company directors who are interested persons with respect to the investment company by reason of their affiliation with a registered broker-dealer. (p. 45654) Revision of investment company proxy rules. (p. 45654) Amendments to Form N-2. (p. 45655) Method for compliance with Section 206(3) of the Advisers Act in connection with purchases of securities from an underwriting syndicate for an advisory client under specified conditions. (p. 45655) Exemption from 1940 Act for companies that invest in pooled agency certificates and companies that issue mortgage-backed securities. (p. 45655) Amendments to Rule 206(4)-1 under the Advisers Act to permit investment advisers greater flexibility in advertising. (p. 45655) Technical amendments to Form N-1A. (p. 45656) Amendments to Rule 10f-3 to provide alternative conditions for permitting purchases from affiliated underwriters during the existence of an underwriting syndicate. (p. 45656) Proposed Rule 12d3-2 under the 1940 Act to set forth conditions under which investment companies may engage in repurchase agreement transactions with persons engaged in securities related businesses. (p. 45656) Development of a uniform method of computation of performance for use in unit investment trust advertisements. (p. 45656) Amendments to Rule 17f-5 under the 1940 Act to make the definition of "eligible foreign custodian" and other provisions of the rule less restrictive. (p. 45657) Proposed amendments to Rule 12d3-1 under the 1940 Act to permit investment companies to acquire securities of foreign securities firms. (p. 45657) Safe harbor under Section 5 of the 1933 Act for certain broker-dealer publications containing information about investment companies. (p. 45657) Revisions to the registration and the annual supplement forms used by investment advisers. (p. 45657) Proposed Rule 36a-1 under the 1940 Act to require non-resident directors of investment companies to designate a registered agent for service process. (p. 45657) Proposed rule permitting certain futures commission merchants to maintain custody of investment company assets. (p. 45658) Proposed rule to exempt

smaller investment advisers from most federal adviser regulation. (p. 45658) Revisions to the circumstances under which post-effective amendments may become effective under Rules 485 and 486 under the 1933 Act. (p. 45658)* Revisions to permit funds to provide a summary portfolio schedule to shareholders in their annual reports. (p. 45658)* Amendments to Rules 24f-1 and 24f-2 under the 1940 Act to clarify the operations of the rules. (p. 45659)* Proposed rule under Section 12(d)(1)(a) of the 1940 Act to permit investment companies to acquire securities of foreign banks and foreign insurance company securities. (p. 45659)* Amendments to Rule 31a-2 under the 1940 Act to clarify record keeping requirements for investment companies investing primarily in foreign securities. (p. 45659)* Final Rule Stage: Proposed rules to require registrants to include a report of management's responsibilities in Form N-SAR and annual reports to shareholders. (p. 45660) Reproposed Rule 144A providing a safe harbor exemption from the registration requirements of the 1933 Act for resales of restricted securities to qualified purchasers. (p. 45661) Reproposed Regulation S clarifying the extraterritorial application of the registration provisions of the 1933 Act to offers and sales of securities outside the U.S. (p. 45662) Proposed Rule 3a-4 of the 1940 providing a safe harbor under the 1940 Act for investment managers providing their clients with treatment based on the needs and goals of each client ("mini- accounts"). (p. 45663) Proposed Amendment to Rule 17g-1 under the 1940 Act to clarify application of the rule to various persons that have access to the company's assets. (p. 45663) Reproposed Form N-7, a simplified registration statement for unit investment trusts. (p. 45664) Proposed Rule 24f-3 under the 1940 Act which would simplify the filing requirements under Section 24(f) for securities of unit investment trust for sales on the secondary market. (p. 45664) Proposed amendments to Rules 12b-1 and 17d-3 under the 1940 to redefine circumstances under which investment companies may finance distribution out of fund assets and to Rule 17d-3 to allow affiliated investment companies to jointly finance distribution activities. (p. 45664) Disclosure of security ratings in registration statements of money market funds. (p. 45665) Proposed Rule 6c-10 under the 1940 Act to allow investment companies to charge certain deferred sales loads. (p. 45665) Rule 3a12-10 under the 1934 Act exempting from that Act certain securities issued by the Resolution Funding Corporation. (p. 45666)* Interpretive release on management's discussion and analysis of financial condition and results of operations. (p. 45666)* Proposed Rules 11a-3 and 11c-1 under the 1940 Act governing exchange offers. (p. 45667) Proposed Rule 32a-3 under the 1940 Act governing selection of independent public accountant. (p. 45667)* Amy B. Rosenblum Assistant General Counsel Attachment