

**MEMO# 6735**

March 7, 1995

# **ISSUES FOR INVESTMENT COMPANIES RELATED TO PROPOSED CHANGES TO PROSPECTUS DELIVERY REQUIREMENTS IN CONNECTION WITH T+3**

1 See Memorandum to Closed-End Fund Committee No. 8-95, SEC Rules Committee No. 30-95 and Unit Investment Trust Committee No. 20-95, dated February 27, 1995. March 7, 1995 TO: CLOSED-END FUND COMMITTEE No. 9-95 SEC RULES COMMITTEE No. 37-95 UNIT INVESTMENT TRUST COMMITTEE No. 27-95 RE: ISSUES FOR INVESTMENT COMPANIES RELATED TO PROPOSED CHANGES TO PROSPECTUS DELIVERY REQUIREMENTS IN CONNECTION WITH T+3

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We recently sent you a release issued by the Securities and Exchange Commission proposing certain changes designed to address possible problems with meeting prospectus delivery requirements in the context of a firm commitment underwriting under a T+3 settlement requirement.<sup>1</sup> In that release, the Commission specifically requested comments on which, if any, of the proposals (or particular aspects thereof) should apply to investment companies. To assist you in considering the possible relevance of the proposals to investment companies, attached is a memorandum prepared by outside counsel to the Institute that examines the proposals and seeks to identify possible issues for different types of investment companies (i.e., closed-end funds, unit investment trusts and mutual funds). As previously indicated, comments on the proposals must be filed by March 31st; therefore, please contact me at (202) 326-5822 by Monday, March 27th if there are issues you would like the Institute to consider including in its comment letter. Frances M. Stadler Associate Counsel Attachment