

MEMO# 4029

August 19, 1992

NASD NOTICE TO MEMBERS CONCERNING SEC APPROVAL OF AMENDMENTS TO MAXIMUM SALES CHARGE RULES

August 19, 1992 TO: BOARD OF GOVERNORS NO. 63-92 MARKETING POLICY COMMITTEE
NO. 34-92 SEC RULES MEMBERS NO. 37-92 ACCOUNTING/TREASURERS MEMBERS NO.
29-92 BROKER/DEALER ASSOCIATE MEMBERS NO. 12-92 DIRECT MARKETING COMMITTEE
NO. 32-92 SALES FORCE MARKETING COMMITTEE NO. 33-92 PUBLIC INFORMATION
COMMITTEE NO. 34-92 SMALL FUNDS MEMBERS NO. 17-92 RULE 12b-1 AD HOC COMMITTEE
RE: NASD NOTICE TO MEMBERS CONCERNING SEC APPROVAL OF AMENDMENTS TO
MAXIMUM SALES CHARGE RULES

As you know, the Securities and Exchange Commission recently approved the proposal of the National Association of Securities Dealers to regulate "asset based sales charges" (12b-1 fees) under its maximum sales charge rules. (See Memorandum to Board of Governors No. 44-92, Marketing Policy Committee No. 23- 92, SEC Rules Members No. 30-92, Accounting/Treasurers Members No. 26-92, Broker/Dealer Associate Members No. 10-92, Direct Marketing Committee No. 21-92, Sales Force Marketing Committee No. 21-92, Public Information Committee No. 24-92, Small Funds Members No. 13-92 and Rule 12b-1 Ad Hoc Committee, dated July 9, 1992.) The amendments will become effective on July 7, 1993. The attached NASD Notice to Members announces the SEC's approval of the proposed rule amendments, discusses certain definitions under the amended rules, describes the rule amendments and sets forth the text of the amended rules. We will keep you informed of further developments. Frances M. Stadler Assistant Counsel Attachment