

MEMO# 3780

May 18, 1992

LICENSING REQUIREMENTS FOR INVESTMENT TRUST MANAGERS IN JAPAN

May 18, 1992 TO: BOARD OF GOVERNORS NO. 35-92 INTERNATIONAL MEMBERS NO. 11-92
RE: LICENSING REQUIREMENTS FOR INVESTMENT TRUST MANAGERS IN JAPAN

_____ Japanese counsel has informed the Institute that, effective April 24, the Ministry of Finance has relaxed the requirements imposed on foreign investment trust managers seeking licenses to manage Japanese investments trusts. (See Institute Memorandum to Board of Governors No. 26-92 and International Members No. 10-92, dated April 24, 1992.) Although a translation of the Ministry's release is still not available, we believe that the capitalization requirement has been reduced from 500 million to 300 million yen, and that an investment trust manager will no longer be required to employ at least thirty Japanese. The prohibition on joint venturing with a Japanese securities firm to establish an investment trust management firm also appears to have been eliminated. We will keep you informed of developments. Angela C. Goelzer Assistant Counsel - International

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