

MEMO# 1994

June 28, 1990

VERMONT ISSUES ADMINISTRATIVE ORDER GRANTING AN EXEMPTION FOR RESALES

June 28, 1990 TO: UNIT INVESTMENT TRUST MEMBERS NO. 40-90 RE: VERMONT ISSUES
ADMINISTRATIVE ORDER GRANTING AN EXEMPTION FOR RESALES

In most states, unit trusts rely on an exemption from registration under the state securities acts for resales of units of unit trusts. The most commonly relied on exemption is the manual exemption, which exempts a distribution if the issuer is listed in a securities manual accepted by the state securities department. Several states have recently attempted to amend or repeal their manual exemption, because of the belief that securities that could otherwise not qualify for registration, such as penny stocks, are being sold under the manual exemption. The Vermont Legislature recently enacted legislation that repealed the manual exemption as of July 1, 1990. The Institute contacted the Vermont Securities Division and testified before the Vermont Senate Finance Committee regarding the consequences such repeal would have on resales of units of unit trusts. We are pleased to announce that the Vermont Securities Division has issued an administrative order granting an exemption for resales of units of unit trusts provided such units were initially registered in Vermont. A copy of the order is attached. Patricia Louie Assistant General Counsel Attachment

Source URL: <https://icinew-stage.ici.org/memo-1994>

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.