

of Compliance Inspections and Examinations would examine a fund's compliance with the 3-day mailing requirement, and the Commission would bring an enforcement action in an appropriate case for failing to comply with the requirement. *See also* Profile Release, *supra* note 1 (discussing the Commission's intention in connection with the profile initiative to monitor a fund's compliance with the proposed requirement to send the fund's prospectus within 3 days of a request)."

6. On page 10914, in column two, footnote 178 should read "¹⁷⁸ See *supra* note 149."

7. On page 10915, in column three, footnote 194 "*supra* note" should read "*supra* note 2."

8. On page 10916, in column one, in the fifth paragraph, in the 10th line ("("NASD'")" should read ("("NASD'"). "

9. On page 10922, in column three, the amendatory instruction under "**Part 230**" should be designated as: "1. The authority....., 2. Revise....., and 3. Amend.....".

10. On page 10923, in column one, the amendatory instruction at the top of the page should be designated as: "4. Amend.....".

11. On the same page, in the same column, the amendatory instruction under "**Part 270**" should be designated as: "7. The authority.....".

12. On page 10926, in column two, item 2 should read as follows: "*Item 2. Risk/Return Summary: Investments, Risks, and Performance*

Include the following information in the same order and in the same or substantially similar question-and-answer format:".

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 270

[Release No. IC-22530; File No. S7-11-97]

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Investment Company Names

Correction

In proposed rule document 97-5375 beginning on page 10955 in the issue of Monday, March 10, 1997 make the following corrections:

(1) On page 10958, in the first column footnote ²¹ should read:

²¹ See "*The Scope of the US Mutual Fund Industry: Its Regulation and Industry Trends*," Remarks by Isaac C. Hunt, Jr., Commissioner, SEC, before the Business Roundtable on "The Development of the Russian Mutual (Unit) Fund Industry and Related Investment Opportunities" at the General Consulate of the Russian Federation, New York, New York (Sept. 20, 1996) (discussing St. Petersburg Long Distance Telephone company, which is organized in Canada and whose securities are traded outside of Russia). *See also*, e.g., rule 3b-4 under the Securities Exchange Act of 1934 [17 CFR 240.3b-4] (defining a "foreign issuer").

(2) On the same page, in the second column the two headings should read "3. Tax-Exempt Investment Companies" and "4. Applying the 80% Investment Requirement".

(3) On the same page, in the third column, in the second paragraph, in the eleventh line "total assets" should read "total assets".

(4) On page 10959, in the first column:

(a) Footnote ³³ should read:

³³ Proposed rule 35d-1(b)(3). *See* Letter to Registrants at IIE (Feb. 25, 1994) ("1994 GCL"). *See also* Form N-1A Release, *supra* note 1 (proposing to require a fund to disclose, if applicable, certain information in its prospectus about the possibility of taking temporary defensive positions).

(b) Footnote ³⁴ should read:

³⁴ Many investment companies have the flexibility to assume temporary defensive

positions and depart from investment policies unrelated to their names. *See* 1994 GCL, *supra* note 33 (noting that investment companies may depart from a policy to concentrate in a particular industry or group of industries to avoid losses in response to adverse market, economic, political, or other conditions).

(5) On the same page, in the third column, "In General" should read "1. In General".

(6) On page 10960, in the first column, footnote ⁴⁰ should read:

⁴⁰ *See* In re Alliance North Am. Gov't Income Trust, Inc. Securities Litigation, No. 95 Civ. 0330 (LLM), 1996 U.S. Dist. LEXIS 14209, at *8 (S.D.N.Y. Sept. 27, 1996); The Private Investment Fund for Governmental Personnel, Inc., 37 S.E.C. 484, 487-88 (1957). The 80% investment requirement generally would apply to a company's investment focus as disclosed in the company's prospectus. The Commission, however, recognizes that the 80% investment requirement would not be appropriate in all cases (e.g., with respect to an investment company that uses the word "balanced" in its name).

In connection with the proposed amendments to Form N-1A, information about the organization and operations of investment companies and Division interpretive positions is proposed to be incorporated in a new "Investment Company Registration Package," which would be prepared by the Division. *See* Form N-1A Release, *supra* note 1. The Investment Company Registration Package would include general guidance about avoiding the use of a name that is the same as or similar to the name of another investment company and about names that a reasonable investor may conclude suggest more than one investment focus including, for example, use of names that include the terms "small, mid, or large capitalization."

(7) On the same page, in the second column, footnote ⁴¹ should read

⁴¹ The term "bond," by itself, does not imply that the security has a particular maturity. *See also* 1994 GCL, *supra* note 33, at III.A (indicating that a fund should describe in its prospectus what it considers to be a "bond").

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