

Investment Adviser/Investment Company compliance program requirement

In late 2003, the SEC published rules that require investment companies and investment advisers registered with the SEC to adopt compliance programs. Under the final rules, investment companies and investment advisers are required to (1) adopt and implement written policies and procedures reasonably designed to prevent violations of the federal securities laws, (2) annually review those policies and procedures for adequacy and effectiveness of implementation, and (3) designate a chief compliance officer. For the full text of the rule see <http://www.sec.gov/rules/final/ia-2204.htm>. These programs were required to be in place by October 5, 2004.