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144-13

Alan F. Blanchard
Executive Director

Sydney H. Mendelsohn, Assistant Director
Division of Investment Management Regulation



Projected training program of the Division of Investment
Management Regulation

Attached hereto is a copy of a revised memorandum setting
forth the Division's projected training program.

Attachment

cc: Daniel Piliero
Ira Pearce

Projected Training Program to be Conducted by the
Division of Investment Management Regulation During
the Remainder of the Fiscal Year Ending June, 1974

During the next 5 months the Division expects to conduct training sessions in the New York Regional Office, Los Angeles Regional Office, Home Office and in the Chicago Regional Office in conjunction with the American Law Institute. These sessions will follow one or the other of two very different approaches. First, at the request of several Regional Administrators, we will do a basic overview. This will be done at the New York Regional Office and the Los Angeles Regional Office and, with a somewhat different and broader emphasis, the Home Office. In addition, workshops will be organized at the Home Office. Basically, these sessions will involve the following:

1. New York Regional Office - Fourth week in February

During late February we will conduct a 5 day course at the New York Regional Office. The course will be attended by personnel from the Boston, New York, and Atlanta Regional Offices. We are not including the Washington Regional Office inasmuch as it will be included in Home Office training. Because so many regional office people are new to the Investment Company Act of 1940 and the Investment Advisers Act, the course will be a basic course. It is expected that inspection personnel working in these areas will particularly benefit from this training. Personnel of the NASD as well as state personnel also will be invited. It is anticipated that approximately 30 to 35 people, including non-Commission personnel, will attend.

2. Los Angeles Regional Office - Late March.

The same course will be given either in Los Angeles or San Francisco in late March. Personnel from the Seattle, Los Angeles, Denver and

Fort Worth Regional Offices, as well as personnel from the California Securities Commission, are expected to attend. It is anticipated that approximately 40 people including non-Commission personnel will attend. In this connection, it should be mentioned that the Los Angeles Office and the California Division of Corporations have been cooperating in some joint inspections. Consequently, it is to the Commission's benefit that employees of the state organization be invited to attend.

3. Home Office - Ten sessions once a week commencing in early April. It is expected that this course, which will be a basic review of what we do and current issues, will be offered in ten sessions on a once a week basis for all personnel of the Home Office and the Washington Regional Office. Relatively inexperienced personnel dealing with investment companies in the Divisions of Enforcement and Corporation Finance should be interested in attending. Relatively new personnel of the Division of Investment Management Regulation will certainly attend.

4. During the early part of May we will be conducting a Chicago compliance course with the American Law Institute and the American Bar Association.

As an experiment under the sponsorship of the American Law Institute and the American Bar Association the staff expects to give a course in compliance to junior members of the bar and non-lawyers interested in compliance from the investment company industry. This seminar will consist of six sessions which is essentially patterned after

the course to be given to Commission personnel. This course will be given on an experimental basis to determine whether it would be to the Commission's benefit as well as the benefit of the industry to educate the industry personnel in compliance matters relating to the investment company. It is expected that if the course is successful, a good many inadvertent violations that are now being picked up in inspections would be eliminated. The Chicago Regional Office personnel will assist the Division in presenting the seminar. Staff members of the Chicago Office who are in need of training will also attend. Personnel in need of training of other Regional Offices such as Denver, Seattle and Fort Worth who cannot attend the seminar in Los Angeles will be invited subject to the discretion of the respective Regional Administrators.

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These training plans are tentative and must be confirmed with the respective regional offices concerned. Under these circumstances, the schedule can be adjusted so as not to conflict with the training of any other division.

Although the purpose of this memorandum is to set forth the training sessions for the remainder of the fiscal year, it should also be mentioned that as an integral part of the training to be given this year, the Division is planning an inspection workshop to be held some time in the fall of 1974 at the Home Office.

While plans are indefinite at this time, we expect to invite personnel of all of the regional offices interested in the Investment Company-- Investment Advisers inspection program. The workshop will either be directed to senior personnel and will emphasize current problems in the two industries and the use of inspection tools to deal with such problems, or on the other hand, the workshop may be directed to selected junior personnel of the regional offices and emphasize basic techniques of inspections. It is possible, however, that if time and the budget permits, two such workshops could be conducted.