



Office of Thrift Supervision

Department of the Treasury

1700 G Street, N.W., Washington, DC 20552 • (202) 906-6251

July 30, 1998

[

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Re: Mutual Fund Use of Common Corporate Logo

Dear []:

This is in response to your letter dated April 1, 1998, as supplemented on April 14, and May 29, 1998, on behalf of [] (the "Association"), and [] (the "Broker"), a registered broker-dealer and a wholly owned service corporation of the Association. You asked that we confirm that the Broker and a family of mutual funds (the "Funds") sold by the Broker may use the same corporate logo on its signage, advertising, letterhead and other promotional materials as the Association, its parent holding company, and certain affiliated companies now use.

In support of your request, you represented that: (i) the Broker will limit its securities brokerage activities to those that have been specifically approved by the OTS for the Broker or are "pre-approved" activities described in 12 C.F.R. §§ 559.4(f) and 545.74 (including purchases and sales of the Funds), (ii) the Association, the Funds and the Broker will comply with other applicable regulations promulgated by the banking regulatory agencies, and by the National Association of Securities Dealers, that are designed to reduce customer confusion, (iii) any use of the common logo in advertisements and other sales material relating to the Funds or other nondeposit investment products will "conspicuously include" disclosures that specify that the products are not insured by the FDIC, are not a deposit or other obligation of the Association, and are subject to investment risk, including possible loss of the principal amount invested, and (iv) the Association, the Funds and the Broker will not use the same logo within the same advertisement. In addition, you represented that securities sales areas at the Association will be physically segregated from other areas of the Association, that sales representatives of the Broker with customer contact will not also be employees of the Association and will not sell the products and services of the Association, and that securities customers will be given oral and written disclosures consistent with the

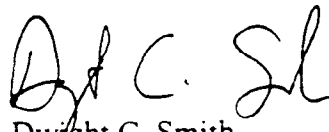
requirements set forth in the Interagency Statement on Retail Sales of Nondeposit Investment Products.

Notwithstanding these assurances, we are not prepared, at this time, to endorse the use of a common corporate logo you propose. The OTS is in the process of reviewing and revising its regulations pertaining to securities brokerage. However, pending the completion of that project, we are prepared to state, based on the facts presented and representations made in your April and May, 1998 letters, that we would not recommend enforcement action should the Funds and the Broker use the corporate logo currently employed by the Association and its parent holding company in advertising and other promotional materials in the manner demonstrated in your May 29, 1998 submission.

In reaching the foregoing conclusion, we have relied on the factual representations contained in the materials presented to us. Our conclusions depend upon the accuracy and completeness of those representations. Any material change in facts or circumstances from those set forth in the submission could result in conclusions different from those expressed herein. Moreover, our conclusions represent our position on an enforcement action in this particular case. Accordingly, this letter may not be used as a precedent by any other parties.

We trust that the foregoing has been responsive to your request. Any questions regarding this matter should be directed to Eric E. Berg, Counsel (Banking & Finance), Business Transactions Division, at (202)906-6464, or Kevin A. Corcoran, Assistant Chief Counsel for Business Transactions, at (202)906-6962.

Sincerely,



Dwight C. Smith
Deputy Chief Counsel

cc: [] Regional Director
[] Regional Counsel