



DIVISION OF
INVESTMENT MANAGEMENT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

PUBLIC

August 26, 1993

Philip J. Goldberg
Hassard, Bonnington, Rigers & Huber
50 Fremont Street, Suite 3400
San Francisco, California 94105

RE: Alameda Contra Costa Medical Association Collective
Investment Trust for Retirement Plans ("Registrant");
Our Ref. No. 93-223-CC

Dear Mr. Goldberg:

Your letter of April 21, 1993, requests our concurrence in your opinion that the written ballot procedure described in your letter does not constitute a "proxy, consent or authorization" under Rule 20a-1 of the Investment Company Act of 1940 (the "1940 Act") and Section 14(a) of the Securities Exchange Act of 1934 (the "1934 Act").

You state that Registrant is a registered investment company organized under California law. Registrant proposes to adopt a written ballot procedure that would enable it to take actions that currently require authorization at a shareholders' meeting. Under this procedure, shareholders would not be given the ability to authorize or empower another person to vote; they would exercise their voting rights in written form. Therefore, you conclude that the proposed written ballots are not proxies, consents, or authorizations within the meaning of Rule 20a-1 and Section 14(a).

Rule 20a-1 prohibits a person from soliciting any proxy, consent or authorization with respect to any security of which an investment company is an issuer, except in compliance with Rules 20a-2 and 20a-3 under the 1940 Act 1/ and all rules adopted under

1/ Rule 20a-2 generally requires proxy statements to include certain information about an investment company's investment adviser for proxies with respect to the election of directors. Rule 20a-3 mandates disclosure of certain transactions when the investment company solicits proxies regarding the election of directors or when anyone solicits proxies with respect to an investment advisory contract.

Section 14(a) of the 1934 Act. 2/ Schedule 14A sets forth the information required in a proxy statement.

The Division of Corporation Finance has asked us to inform you that they are unable to concur in your view that a written ballot is not subject to Section 14(a) of the 1934 Act. In the view of the Division of Corporation Finance, a written ballot falls within the meaning of a "consent" or "authorization." Accordingly, any solicitation of written ballots must comply with Section 14(a) and the rules thereunder.

We similarly believe that the written ballot constitutes a "consent" or "authorization" within the meaning of Rule 20a-1. Consequently, any solicitation of written ballots must comply with Rules 20a-2 and 20-3.

I hope this is responsive to your request. Please feel free to contact the undersigned or Larry Stadulis at (202) 272-2072, or Amy Bowerman-Freed from the Division of Corporation Finance at (202) 272-2573 if you have further questions.

Sincerely,

Barbara Chretien-Dar
Attorney

cc: Amy Bowerman-Freed
Division of Corporation Finance

2/ Section 14(a) of the 1934 Act prohibits a person from soliciting any proxy or consent or authorization in respect of any security registered under Section 12 of the 1934 Act except in compliance with Commission rules and regulations.

DIRECT DIAL
(415) 543-8405

HASSARD, BONNINGTON, ROGERS & HUBER
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50 FREMONT STREET, SUITE 3400
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FAX (415) 979-0378

HARTLEY F PEART
(1880-1954)
GUS L BARATY
(1884-1966)
ALAN L BONNINGTON
(1922-1972)

April 22, 1993

ACT ICA
SECTION _____
RULE 20 a-1
PUBLIC
AVAILABILITY 8-26-93

The Securities & Exchange Commission
Judiciary Plaza
450 Fifth Street, N.W.
Washington, DC 20549

ICA/Rule 20a-1
1934 Act/Sec. 14(a)

Attn: Thomas Harmon, Chief Counsel
of Investment Management

Re: Alameda-Contra Costa Medical Association
Collective Investment Trust for Retirement Plans
Investment Company Act File No. 811-5887
Securities Act File No. 33-32684

Dear Mr. Harmon:

Enclosed are three copies of my original letter to you
dated April 21, 1993. These copies were inadvertently omitted
from the letter transmitted to you on the same date.

Should you have any questions regarding this matter,
please contact me.

Very truly yours,

HASSARD, BONNINGTON, ROGERS & HUBER

Phillip J. Goldberg
153

Phillip J. Goldberg

PJG:nsj
Encls.

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April 21, 1993

The Securities & Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

ICA/Rule 20a-1
1934 Act/Sec. 14(a)

Attn: Thomas Harmon, Chief Counsel
of Investment Management

Re: Alameda Contra Costa Medical Association
Collective Investment Trust for Retirement Plans
Investment Company Act File No. 811-5887
Securities Act File No. 33-32684

Dear Mr. Harmon:

This letter constitutes a request for an interpretive letter and a no action letter pursuant to Release No. IC-6330, January 25, 1971. Pursuant to such release, three copies of this letter are enclosed, as this request relates to Investment Company Act Rule 20a-1 as well as Exchange Act Section 14(a).

The Alameda Contra Costa Medical Association Collective Investment Trust for Retirement Plans ("Registrant") is a registered investment company under the Investment Company Act of 1940. Registrant is organized and existing as a trust under the laws of the State of California pursuant to a Declaration of Trust dated February 1, 1990. In addition to said Declaration of Trust, Registrant's operations are governed by its Rules and Procedures. Registrant proposes to amend its Rules and Procedures to allow for a written ballot procedure for actions by its security holders in lieu of meetings of the security holders. Registrant proposes to adopt rules and procedures for written ballots in general conformity with the California Nonprofit Mutual Benefit Corporation Law. (As a trust, registrant is not otherwise governed by such law.) Registrant requests an interpretive letter that the proposed written ballots will not constitute a "proxy, consent or authorization" under Rule 20a-1 of the Investment Company Act or Section 14(a) of the Exchange Act and a no action letter with respect to actions taken by Registrant following a vote of the security holders pursuant to the written ballot procedures. This request is prompted by a desire to reduce administrative costs associated with proxy statements and proxy solicitations pursuant to Rule 20a of the Investment Company Act and Regulation 14A under the Exchange Act.

Rule 20a-1 of the Investment Company Act provides in pertinent part,

No person shall solicit or permit the use of his name to solicit any proxy, consent or authorization in respect of any security of which a registered investment company is the issuer, except upon compliance with the provisions of Rule 20a-2 and 20a-3 and all rules and regulations adopted pursuant to the provisions of Section 14(a) of the Securities Exchange Act of 1934 (Reg. §270.20a-1(a); emphasis added.)

Section 14(a) of the Exchange Act uses the phrase "proxy or consent or authorization." (15 U.S.C. §78n)

There is little authority directly on point with respect to what does or does not constitute a proxy, consent or authorization. Instead, the cases and rulings focus on "solicitations." (See CCH Fed. Sec. Law Rptr. ¶24,151.015.) Regulation 14A defines "proxy" rather cryptically as "every proxy, consent or authorization within the meaning of section 14(a) of the Act." (Reg. §240.14a-(f)) Secondary sources are more helpful. Blacks Law Dictionary defines "proxy" as "written authorization given by one person to another so that the second person can act for the first" (Blacks Law Dictionary, 5th Ed.) Similarly, "a proxy is the authority or power to act for another" (CCH Fed. Sec. Law Rptr. at p.17,511) As explained below, the proposed written ballot procedures do not allow security holders to authorize or empower another to vote their securities. Instead, security holders personally exercise their own voting rights in written form.

Under the California Nonprofit Mutual Benefit Corporation law, any action which may be taken at any meeting may be taken without a meeting if a written ballot is distributed to every party entitled to vote on a matter. Consistent with this general provision, Registrant proposes to amend section 2.7 of its Rules and Procedures to read as follows:

Section 2.7. Action By Written Ballot Without Meeting. Any action that may be taken at any meeting of Participating Trusts may be taken without a meeting as set forth herein. There shall be distributed one written ballot to each Participating Trust entitled to vote on the matter. The written ballot shall be distributed either personally, by first-class mail, or by other reasonable means of written communication. All written ballots shall (1) indicate the number of

responses needed to meet the quorum requirement, (2) with respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures, and (3) specify the time by which the ballots must be received in order to be counted which in all events shall be at least 15 but no more than 45 days from the date of mailing or other delivery of such written ballots. Each ballot so distributed shall (1) set forth the proposed action, (2) provide the Participating Trust an opportunity to specify approval or disapproval of each proposal. Approval by written ballot shall be valid only when (1) the number of votes cast by ballot within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting which the total of votes cast was the same as the number of votes cast by written ballot without a meeting. Written ballots may not be disseminated with any other written materials from the Supervisory Committee and may not in any way instruct, recommend or request that Participating Trusts vote on any proposal or candidate for Supervisory Committee in any fashion. Written ballots distributed in lieu of an annual meeting of Participating Trusts shall disclose under an appropriate caption the date by which proposals of Participating Trusts intended to be presented at the next annual meeting (whether conducted by written ballot or otherwise) must be received to be presented at such meeting.

Registrant maintains that the written ballot form and procedures as proposed by Registrant are substantially different from the solicitation of any proxy, consent or authorization contemplated under Investment Company Act Rule 20a-1 or Section 14(a) of the Exchange Act. The written ballot does not solicit, direct or request the security holders vote for or against any particular matter set forth on the written ballot. The written ballot does not provide authorization for someone other than the security holder to exercise the security holder's right to vote. In effect, the written ballot is the functional equivalent of a meeting of all security holders which is simply conducted through the mail.

Accordingly, Registrant requests an interpretive letter from the Chief Counsel of the Investment Management Division that the proposed written ballots do not constitute a proxy, consent or authorization with the meaning of Rule 20a-1 under the Investment Company Act or Regulation 14A under the Exchange Act.

The Securities & Exchange Commission
April 21, 1993
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Additionally, Registrant requests a letter from Chief Counsel that it will not recommend enforcement action be taken against Registrant or its management for any actions taken pursuant to any matter approved by Registrant's security holders through the written ballot procedure solely because of the manner of obtaining such approval.

Very truly yours,

HASSARD, BONNINGTON, ROGERS & HUBER



Phillip J. Goldberg

PJG:wp

cc: L. Richard Mello
Mary S. Hale