FOR IMMEDIATE RELEASE

Shareholder Update

We have previously informed you of a bill sponsored by Congresswoman Nydia Velázquez to eliminate the exemption from the Investment Company Act of 1940 (the “1940 Act”) for Puerto Rico and the other U.S. territories. We would like to update you on the status of that bill.

On May 1, 2017, the U.S. House of Representatives approved the U.S. Territories Investor Protection Act of 2017 (H.R. 1366), which amends the 1940 Act, to remove a regulatory exemption. On the evening of September 11, 2017, the U.S. Senate passed an identical companion bill (S. 494) by unanimous consent. These bills amend the 1940 Act by eliminating the exemption provided to U.S. possessions under Section 6(a)(1). The repeal of the exemption will take effect three years after enactment of the bills. The amendment also provides the Securities and Exchange Commission (“SEC”) with the authority to extend the three-year safe harbor by up to an additional three years.

According to the report issued by the House Financial Services Committee in connection with its recommendation to pass H.R. 1366, without the exemption, investment companies headquartered in a U.S. territory would be subject to existing federal requirements for investment companies, such as registering with the SEC, meeting minimum capital requirements, making disclosures to investors and registering the securities they offer. The cost of the mandate will include registration fees and the ongoing costs of complying with SEC requirements.

The U.S. Senate bill, S. 484, has now been sent to the U.S. House of Representatives where it is awaiting action to send the legislation to the President for his signature. There is no assurance as to whether this legislation will be signed into law by the President, whether it will be modified prior to being signed, or what its ultimate impact on the Funds may be.