



40-33

811-06463

Branch 18

PO Box 4333  
Houston, TX 77210-4333  
11 Greenway Plaza, Suite 100  
Houston, TX 77046-1173  
713 626 1919

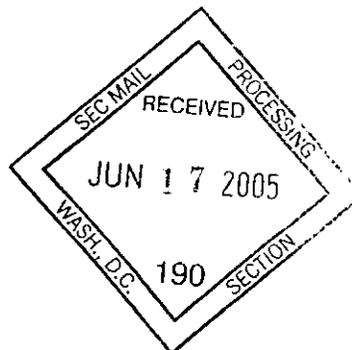
A I M Advisors, Inc.

BEST AVAILABLE COPY

June 14, 2005



05060940



VIA CERTIFIED MAIL/RRR

Securities and Exchange Commission  
450 Fifth Street  
Washington, D.C. 20549

Re: Filing Pursuant to Section 33 of the Investment Company Act of 1940 by A I M Advisors, Inc. (1940 Act Registration No. 801-12313), and A I M International Funds, Inc. (1940 Act Registration No. 811-6463)

Ladies and Gentlemen:

Pursuant to Section 33 of the Investment Company Act of 1940, we hereby file on behalf of A I M Advisors, Inc., an investment adviser, a copy of **Memorandum and Order, Plaintiff's Rule 59(e) Motion to Alter or Amend Judgment and Memorandum in Support of Plaintiff's Rule 59(e) Motion to Alter or Amend Judgment** in *T.K. Parthasarathy, et al. v. T. Rowe Price International Funds, Inc., et al.*

Sincerely,

Stephen R. Rimes  
Assistant General Counsel

Enclosures

cc: Mr. Robert B. Pike, SEC - Fort Worth  
Mr. James Perry, SEC - Fort Worth

PROCESSED

JUL 26 2005

THOMSON  
FINANCIAL

Sc

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF ILLINOIS**

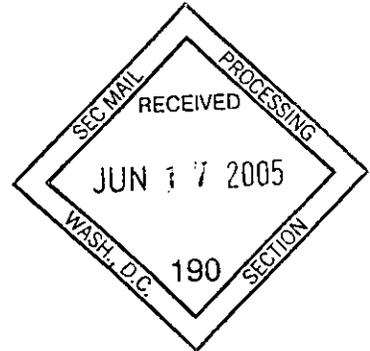
**T.K. PARTHASARTHY, EDMUND WOODBURY,  
STUART ALLEN SMITH, and SHARON SMITH,  
individually and on behalf of all others  
similarly situated,**

**Plaintiffs,**

**vs.**

**T. ROWE PRICE INTERNATIONAL FUNDS, INC.,  
a corporation, T. ROWE PRICE INTERNATIONAL, INC.,  
ARTISAN FUNDS, INC., a corporation,  
ARTISAN PARTNERS LIMITED PARTNERSHIP,  
AIM INTERNATIONAL FUNDS, INC., a corporation,  
and AIM ADVISORS, INC.,**

**Defendants.**



**No. 03-CV-00673-DRH**

**MEMORANDUM AND ORDER**

**HERNDON, District Judge:**

**I. Introduction**

Plaintiffs filed this purported class action in the Madison County, Illinois Circuit Court, on behalf of long-term investors of certain mutual funds, against T. Rowe Price International Funds, Inc., T. Rowe Price International, Inc. (otherwise referred to herein as "T. Rowe Price Defendants"), Artisan Funds, Inc., Artisan Partners Limited Partnership (otherwise referred to herein as "Artisan Defendants"), AIM International Funds, Inc., and AIM Advisors, Inc. (otherwise referred to herein as "AIM Defendants"). Defendants removed the case to this Court based on federal

question jurisdiction, **28 U.S.C. § 1331**, arguing that Plaintiffs' claims were preempted by the Securities Litigation Uniform Standards Act of 1998, **15 U.S.C. § 77, et seq.** ("SLUSA"), among other things. On January 30, 2004, the Court granted Plaintiffs' motion to remand and remanded the case to state court (Doc. 71). Defendants appealed the remand to the United States Court of Appeals for the Seventh Circuit (Doc. 73).<sup>1</sup>

On April 5, 2005, the Seventh Circuit reversed the remand orders and directed the Court to "undo the remand orders and dismiss plaintiffs' state-law claims." ***Kircher v. Putnam Funds Trust*, 403 F.3d 478, 484 (7th Cir. 2005)**. On May 10, 2005, the Seventh Circuit issued the mandate. The Clerk of the Court received and docketed the mandate on May 18, 2005 (Doc. 87).

Between the Seventh Circuit's April 5, 2005 opinion and the district court's receipt of the mandate, Plaintiffs filed an amended complaint pursuant to **FEDERAL RULE OF CIVIL PROCEDURE 15(a)** and a motion for leave to amend the complaint (Docs. 84 & 85, respectively). The amended complaint, which contains common law negligence claims, tries to disavow all claims based on federal securities law and all bases for federal subject matter jurisdiction. The amendment of the complaint was improper. Moreover, it does not provide a new basis for remand, and it does not allow the Court to disregard the Seventh Circuit's directive.

Accordingly, pursuant to the Seventh Circuit's opinion and mandate in

---

<sup>1</sup>The Seventh Circuit consolidated this case with seven others from this judicial district regarding the same issue.

**Kircher**, the Court finds that federal question jurisdiction existed at the time the case was removed to this Court and that SLUSA preempts Plaintiffs' claims contained in the original complaint. Thus, the Court **VACATES the January 30, 2004** remand Order (Doc. 71) and **DISMISSES with prejudice** Plaintiffs' state law claims in accord with the Seventh Circuit's mandate. Further, the Court **STRIKES** Plaintiffs' amended complaint (Doc. 84) and **DENIES as moot** Plaintiffs' motion for leave to amend the complaint (Doc. 85).

**IT IS SO ORDERED.**

Signed this 27th day of May, 2005.

/s/ David RHerndon  
**United States District Judge**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF ILLINOIS  
(EAST ST. LOUIS, ILLINOIS)**

T.K. PARTHASARATHY, EDMUND WOODBURY, )  
STUART ALLEN SMITH, and SHARON SMITH, )  
individually and on behalf of all others similarly )  
situated, )

Plaintiffs, )

vs. )

No. 03-673-DRH

T. ROWE PRICE INTERNATIONAL FUNDS, INC., )  
a corporation, T. ROWE PRICE INTERNATIONAL, INC., )  
ARTISAN FUNDS, INC., a corporation, )  
ARTISAN PARTNERS LIMITED PARTNERSHIP, )  
AIM INTERNATIONAL FUNDS, INC., a corporation, )  
and AIM ADVISORS, INC., )

Defendants. )

**PLAINTIFF'S RULE 59(e) MOTION TO ALTER OR AMEND JUDGMENT**

Come now Plaintiffs, by and through counsel, and for their Motion to Alter or Amend the Court's May 27, 2005 Judgment pursuant to Federal Rule of Civil Procedure 59(e), state as follows:

1. On or about January 30, 2004, the Court entered an order remanding this case to state court.
2. In its May 27 Order, the Court stated that the defendants appealed that order but that is partially incorrect. Of the six defendants in this case, only two appealed: Artisan Funds, Inc., and Artisan Partners Limited Partnership. The two T. Rowe Price defendants and the two AIM defendants did not appeal the Court's January 30, 2004 remand order.
3. For reasons explained in the memorandum accompanying this motion which are hereby incorporated by reference, the Seventh Circuit's recent decision in *Kircher v. Putnam Funds*,



**CERTIFICATE OF SERVICE**

The undersigned certifies that service of the foregoing document was made by means of the Notice of Electronic Filing on June 10, 2005 to the following counsel of record:

Gordon R. Broom grb@ilmolaw.com  
Troy A. Bozarth troy.bozarth@ilmolaw.com  
Burroughs, Hepler et al.  
103 West Vandalia Street  
Suite 300, P.O. Box 510  
Edwardsville, IL 62025-0510  
.....

Robert H. Shultz, Jr. rshultz@hrva.com  
Richard K. Hunsaker rhunsaker@hrva.com  
Heyl, Royster et al.  
103 West Vandalia Street  
P.O. Box 467  
Edwardsville, IL 62025  
.....

Frank N. Gundlach  
fgundlach@armstrongteasdale.com

Daniel A. Pollack  
dapollack@pollacklawfirm.com

Glenn E. Davis  
gdavis@armstrongteasdale.com

Martin I. Kaminsky  
mikaminsky@pollacklawfirm.com

Lisa M. Wood  
lwood@armstrongteasdale.com

Edward T. McDermott  
etmcdermott@pollacklawfirm.com

Armstrong Teasdale - St. Louis  
One Metropolitan Square  
211 North Broadway, Suite 2600  
St. Louis, MO 63102-2740  
.....

Anthony Zaccaria  
azaccaria@pollacklawfirm.com

John W. Rotunno jrotunno@bellboyd.com

Pollack & Kaminsky  
114 West 47th Street, Suite 1900  
New York, NY 10036-8295  
.....

Kenneth E. Rechteris  
krechteris@bellboyd.com

Thomas B. Smith tbsmith@ropesgray.com  
David O. Stewart dstewart@ropesgray.com  
Ropes & Gray LLP  
700 Twelfth Street, N.W., Suite 900  
Washington, DC 20005

Daniel Joseph Hayes dhayes@bellboyd.com

Bell, Boyd et al.  
Three First National Plaza  
70 West Madison, Suite 3300  
Chicago, IL 60602  
.....

**and via first class U.S. mail to:**

Laura Suchon  
Ropes & Gray LLP  
700 Twelfth Street, N.W., Suite 900  
Washington, DC 20005

s/Robert L. King  
ROBERT L. KING



Long ago the Supreme Court declared as “inveterate and certain” the rule that when “the law [is] declared anew and differently” in an appellate opinion, the new rule of law does not benefit a party *in that same case* who failed to appeal the final decision which was reversed. This is so even if – unlike the case here – the non-appealing defendant is a party-appellee to the appeal in which the new rule is announced. *Morley Const. Co. v. Maryland Casualty Co.*, 300 U.S. 185, 191 (1937). This rule is no less “inveterate and certain” (indeed, it is all the more appropriate) when applied to a party who chose not to appeal and is not a party to the appellate case in any capacity at all. In fact, in the latter case, the appellate court lacks jurisdiction over the non-appealing party and cannot change the appealed order with respect to the non-appealing party, even if the court wishes to do so. *Torres v. Oakland Scavenger Co.*, 487 U.S. 312, 315 (1988) (with respect to parties not named in a notice of appeal filed by another party, court of appeals lacks “jurisdiction over unnamed parties after the time for filing a notice of appeal has passed”).

Moreover, as the Supreme Court has explicitly held, there is “no general equitable doctrine, such as that suggested by the Court of Appeals, which countenances an exception to the finality of a party’s failure to appeal merely because his rights are ‘closely interwoven’ with those of another party” who *did* appeal. *Federated Dept. Stores, Inc. v. Moitie*, 452 U.S. 394, 400 (1981). Even the specter of inconsistent results does not overcome the rule that a party who fails to appeal an adverse decision is not benefited by the fruits of an appeal taken by another party. *See, e.g., Repola v. Morbark Indus., Inc.*, 980 F.2d 938 (3d Cir. 1992).

The T. Rowe Price and AIM defendants could have appealed (but chose not to appeal) the Court’s 2004 remand order. Accordingly, even though in the Court’s view the case must be dismissed with prejudice with respect to the Artisan defendants, the Court lacks all jurisdiction and authority to enter any order with respect to the T. Rowe Price and AIM defendants. The



**CERTIFICATE OF SERVICE**

The undersigned certifies that service of the foregoing document was made by means of the Notice of Electronic Filing on June 10, 2005 to the following counsel of record:

Gordon R. Broom grb@ilmolaw.com  
Troy A. Bozarth troy.bozarth@ilmolaw.com  
Burroughs, Hepler et al.  
103 West Vandalia Street  
Suite 300, P.O. Box 510  
Edwardsville, IL 62025-0510  
.....

Robert H. Shultz, Jr. rshultz@hrva.com  
Richard K. Hunsaker rhunsaker@hrva.com  
Heyl, Royster et al.  
103 West Vandalia Street  
P.O. Box 467  
Edwardsville, IL 62025  
.....

Frank N. Gundlach  
fgundlach@armstrongteasdale.com

Daniel A. Pollack  
dapollack@pollacklawfirm.com

Glenn E. Davis  
gdavis@armstrongteasdale.com

Martin I. Kaminsky  
mikaminsky@pollacklawfirm.com

Lisa M. Wood  
lwood@armstrongteasdale.com

Edward T. McDermott  
etmcdermott@pollacklawfirm.com

Armstrong Teasdale - St. Louis  
One Metropolitan Square  
211 North Broadway, Suite 2600  
St. Louis, MO 63102-2740  
.....

Anthony Zaccaria  
azaccaria@pollacklawfirm.com

John W. Rotunno jrotunno@bellboyd.com

Pollack & Kaminsky  
114 West 47th Street, Suite 1900  
New York, NY 10036-8295  
.....

Kenneth E. Rechteris  
krechteris@bellboyd.com

Thomas B. Smith tbsmith@ropesgray.com  
David O. Stewart dstewart@ropesgray.com  
Ropes & Gray LLP  
700 Twelfth Street, N.W., Suite 900  
Washington, DC 20005

Daniel Joseph Hayes dhayes@bellboyd.com

Bell, Boyd et al.  
Three First National Plaza  
70 West Madison, Suite 3300  
Chicago, IL 60602  
.....

**and via first class U.S. mail to:**

Laura Suchon  
Ropes & Gray LLP  
700 Twelfth Street, N.W., Suite 900  
Washington, DC 20005

s/Robert L. King  
ROBERT L. KING