

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940

Release No. 4854 / February 7, 2018

INVESTMENT COMPANY ACT OF 1940

Release No. 33004 / February 7, 2018

ADMINISTRATIVE PROCEEDING

File No. 3-11530

_____	:	ORDER MODIFYING ORDER INSTITUTING
In the Matter of	:	ADMINISTRATIVE AND CEASE-AND-
	:	DESIST PROCEEDINGS, MAKING
	:	FINDINGS, AND IMPOSING REMEDIAL
BANC ONE INVESTMENT	:	SANCTIONS AND A CEASE-AND-DESIST
ADVISORS CORPORATION	:	ORDER PURSUANT TO SECTIONS 203(e),
AND MARK A. BEESON,	:	203(f), AND 203(k) OF THE INVESTMENT
	:	ADVISERS ACT OF 1940, AND SECTIONS
Respondents.	:	9(b) AND 9(f) OF THE INVESTMENT
	:	COMPANY ACT OF 1940
_____	:	

I.

On June 29, 2004, the Securities and Exchange Commission ("Commission") instituted administrative and cease-and-desist proceedings pursuant to Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act") and Sections 9(b) and 9(f) of the Investment Company Act of 1940 ("Investment Company Act"), making findings, and imposing remedial sanctions (the "2004 Order") against Banc One Investment Advisors Corporation ("BOIA") and Mark A. Beeson (collectively the "Respondents").¹

¹ See Advisers Act Rel. No. 2254, Investment Company Act Rel. No. 26490, and Admin. Proc. File No. 3-11530 (June 29, 2004).

II.

In anticipation of the institution of the proceedings, the Respondents consented to the 2004 Order without admitting or denying the findings therein except as to the Commission's jurisdiction over them and the subject matter of the proceedings. Among other things, the 2004 Order required the Respondents to cease and desist from further violations of specified federal securities laws and directed BOIA to pay disgorgement and civil money penalties and to comply with various undertakings. Since the entry of the 2004 Order, BOIA was succeeded by J.P. Morgan Investment Management, Inc. ("JPMIM") with respect to its role as investment adviser to the funds referenced in the 2004 Order, making JPMIM subject to the undertakings in the 2004 Order with respect to such funds.

III.

JPMIM has submitted an Offer of Settlement (the "Offer"), which the Commission has determined to accept, proposing to modify the Commission's 2004 Order to relieve JPMIM of the obligations to continue to: (1) hold a shareholder meeting every five years as required by paragraph III.32.c of the 2004 Order; (2) maintain an Independent Compliance Officer in accordance with paragraph III.32.d of the 2004 Order; (3) maintain an Internal Controls Committee in accordance with paragraph III.33.a of the 2004 Order; and (4) undergo biennial third-party compliance reviews in accordance with paragraph III.36 of the 2004 Order. Solely for the purposes of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over JPMIM, which is admitted, JPMIM consents to the entry of this Order Modifying Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940 and Sections 9(b) and 9(f) of the Investment Company Act of 1940 ("Order") as set forth below.

IV.

The Commission deems it appropriate and in the public interest to modify the 2004 Order as agreed in JPMIM's Offer.

Accordingly, IT IS HEREBY ORDERED that:

- a. Paragraph III.32.c. of the 2004 Order shall be modified to read:

Commencing no later than in 2005 and not less than every fifth calendar year thereafter through 2016, One Group will hold a meeting of its fund shareholders at which the Board of Trustees will be elected.

- b. Paragraph III.32.d. of the 2004 Order shall be modified to read:

Until September 30, 2017, One Group will designate an independent compliance officer reporting to its Board of Trustees as being responsible for assisting the Board of Trustees and any of its committees in monitoring compliance by BOIA with the federal securities laws, BOIA's fiduciary duties to fund shareholders and its Code of Ethics in all matters relevant to the operation of the One Group funds. The duties of this person will include reviewing all compliance reports furnished to the Board of Trustees or its committees by BOIA, attending meetings of BOIA's internal controls committee to be established pursuant to BOIA's undertakings set forth below, serving as liaison between the Board of Trustees and its committees and the Chief Compliance Officer of BOIA, making such recommendations to the Board of Trustees regarding BOIA's compliance procedures as may appear advisable from time to time, and promptly reporting to the Board of Trustees any material breach of fiduciary duty, breach of the Code of Ethics and/or violation of the federal securities laws of which he or she becomes aware in the course of carrying out his or her duties.

c. Paragraph III.33.a. of the 2004 Order shall be modified to read:

Until September 30, 2017, an internal controls committee (the "Committee") shall be established which shall be chaired by a senior IMG executive and shall also comprise at least BOIA's Chief Compliance Officer (the "BOIA CCO"), senior representatives from the other internal control functions (such as Risk, Legal and Internal Audit) of BOIA or IMG and senior BOIA business executives responsible for the conduct of BOIA's investment advisory activities for One Group. The Committee shall meet at least quarterly and notice of all of its meetings shall also be given to the Chief Compliance Officer appointed by One Group ("One Group's CCO") who shall be invited to attend and participate at such meetings.

d. Paragraph III.36. of the 2004 Order shall be modified to read:

Periodic Compliance Review. BOIA has undertaken that, commencing no later than in 2005, and at least once every other year thereafter until 2016, BOIA shall undergo a compliance review by a third party, who is not an interested person, as defined in the Investment Company Act, of BOIA. At the conclusion of the review, the third party shall issue a report of its findings and recommendations concerning BOIA's supervisory, compliance, and other policies and procedures designed to prevent and detect breaches of fiduciary duty, breaches of the Code of Ethics and federal securities law violations by BOIA and its employees in connection with their duties and activities on behalf of and related to the One Group funds. Each such report shall be promptly delivered to the Committee described in paragraph 33.a. above and to the One

Group Board of Trustees (or its Audit Committee or such other Committee as the Board may designate).

- e. All other provisions of the 2004 Order remain in effect.

By the Commission.

Brent J. Fields
Secretary