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SECURITIES DIVISION
1300 West Washington
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Phoenix, AZ 85007-2996
TELEPHONE: (602) 542-4242
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April 6, 1995

Mr. Michael DeFao
Ropes & Gray
One International Place
Boston, Massachusetts 02110-2624

RE: Putnam Intermediate Tax Exempt Fund
A.R.S. § 44-1844(A)(6)

Dear Mr. DeFao:

On the basis of the facts set forth in your letter of March 17, 1995, and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter.

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the anti-fraud provisions of the Act continue to be applicable.

We have attached a photocopy of your letter. By doing this we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,

Handwritten signature of Dee Ridgell Harris in cursive.

DEE RIDDELL HARRIS
Director of Securities

DRH:PHG
Attachment

ROPES & GRAY
ONE INTERNATIONAL PLACE
BOSTON, MASSACHUSETTS 02110-2624

30 KENNEDY PLAZA
PROVIDENCE, R. I. 02903
(401) 455-4400
TELECOPIER: (401) 455-4401

(617) 951-7000
TELECOPIER: (617) 951-7050

1001 PENNSYLVANIA AVENUE, N. W.
SUITE 1200 SOUTH
WASHINGTON, D. C. 20004
(202) 626-3900
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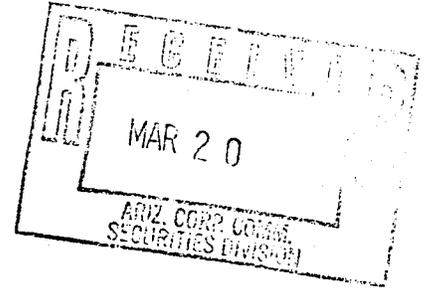
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WRITER'S DIRECT DIAL NUMBER: (617) 951-7745

March 17, 1995

OVERNIGHT COURIER

Leslie Block, Associate
General Counsel
Securities Division
1200 West Washington Street
Suite 201
Phoenix, Arizona 85007



Re: Putnam Intermediate Tax Exempt Fund

Dear Ms. Block:

On behalf of Putnam Intermediate Tax Exempt Fund, (the "Tax Exempt Fund") we hereby request confirmation of the availability of an exemption under Section 44-1844(a)(6) of the Arizona Revised Statutes, as amended ("Act") with respect to the transaction described below. The Tax Exempt Fund is a Massachusetts business trust operating as an investment company registered under the Investment Company Act of 1940.

As you will note in the enclosed materials, the shareholders of the Putnam Investment Grade Intermediate Municipal Trust (the "Municipal Trust"), also a Massachusetts business trust registered as an investment company under the Investment Company Act of 1940, are being asked to vote on a proposal whereby the Tax Exempt Fund will acquire all of the assets and assume all of the liabilities of the Municipal Trust in exchange for a number of Class A shares of beneficial interest in the Tax Exempt Fund equal in value to the value of the net assets of the Municipal Trust transferred to the Tax Exempt Fund. If the proposed transaction is approved by the shareholders of the Municipal Trust, each shareholder of the Municipal Trust will receive that number of full and fractional Class A shares of beneficial interest in the Tax Exempt Fund which are equal in aggregate value at the date of the exchange to the value of the shares of the Municipal Trust attributable to the shareholder.

We are of the opinion that the above-described exchange offers satisfy the exemption set forth in Section 44-1844(a)(6) of the Act which states that the registration provisions of the Act shall not apply to "any transaction or series of transactions

incident to a statutory or judicially approved reorganization, merger, triangular merger, consolidation, or sale of assets, incident to a vote by securities holders pursuant to the articles or incorporation, the applicable corporate statute, partnership agreement or the controlling agreement among securities holders."

As set forth above, the proposed reorganization is being made pursuant to the Declaration of Trust of the Municipal Trust. Accordingly, since these Declaration of Trust amounts to the "controlling agreement among the securities holders" of the Municipal Trust, the proposed reorganization should be exempt pursuant to Section 44-1844(a)(6) of the Act and require no further registration.

Further, you will note that the shares of beneficial interest in the Tax Exempt Fund are currently registered in your state in connection with the continuous offering of those shares.

We hereby respectfully request confirmation of the availability of the exemption under Section 44-1844(a)(6) of the Act. In this manner, we have enclosed a check in the amount of \$200. Also enclosed, please find copies of the proxy materials as submitted to the Securities and Exchange Commission.

If you have any questions or comments, please do not hesitate to contact me.

Kindly acknowledge receipt of this filing by date-stamping the enclosed copy of this letter and returning the same to me in the stamped, self-addressed envelope provided for that purpose.

Very truly yours,



Michael E. DeFao

MED/alr:3038094.01

Enclosures

cc: Margaret W. Chambers, Esq.