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May 26, 2006

Douglas J. Scheidt, Esq.
Associate Director and Chief Counsel
Division of Investment Management
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Mutual of America Investment Corporation

Dear Mr. Scheidt:

We are writing on behalf of Mutual of America Investment Corporation, a registered open-end investment company (the "Investment Company") with 15 series, to request that the Staff advise the Investment Company that it would not recommend enforcement action to the Securities and Exchange Commission (the "Commission") under Section 17(a) of the Investment Company Act of 1940, as amended (the "1940 Act") if the Investment Company takes the steps outlined below in "Summary of Transaction" and transfers all of the assets and liabilities of one of its series, the Aggressive Equity Fund, to two of its other series, the Small Cap Growth Fund and the Small Cap Value Fund (the Small Cap Growth Fund and the Small Cap Value Fund, together, the "New Funds", and, together with the Aggressive Equity Fund, the "Funds", and each a "Fund").

I. Facts

Representatives of the Investment Company have advised us of the following facts.

The Investment Company serves as an underlying fund for the variable insurance products of Mutual of America Life Insurance Company ("MOA") and American Life Insurance Company of New York, a former subsidiary of MOA ("American Life," and, together with MOA, the "Insurance Companies").

The Insurance Companies issue and offer several variable annuity and variable life insurance contracts (the "variable contracts") that are funded in part by the shares of the various series of the Investment Company, including the Funds. Shares of the Funds are sold to separate accounts of MOA and certain of the series of the Investment Company, including the Aggressive Equity Fund, remain as investment options on a declining population of contracts and policies issued by American Life.[1] With the exception of a separate account of MOA that is exempt from registration because it is offered only to tax qualified pension plans, the separate accounts are registered as unit investment trusts under the Investment Company Act of 1940, as amended (the "1940 Act"). Each separate account consists of subaccounts, each of which invests only in one of the series of the Investment Company or other registered investment companies that offer their shares to the separate accounts.[2] At the current time, the shares of the Investment Company are not offered directly to the public or to the separate accounts of any other insurance companies. Under the variable contracts, contract owners may transfer their cash or accumulation values among the subaccounts of the separate account funding their particular variable contract, without any fees or charges.

The New Funds commenced operations on July 1, 2005. The Aggressive Equity Fund commenced operations in 1994. As of December 31, 2005, the approximate amount of net assets in each Fund was: $323 million in the Aggressive Equity Fund, $24 million in the Small Cap Growth Fund and $34 million in the Small Cap Value Fund.

The Aggressive Equity Fund, the Small Cap Growth Fund and the Small Cap Value Fund each have an investment objective of seeking capital appreciation. Currently, the Aggressive Equity Fund seeks to achieve its investment objective by investing in small cap growth stocks and small cap value stocks in a ratio determined from time to time by the investment adviser of the Fund. Presently, the ratio is approximately 52% small cap value stocks (the "small cap value segment") to 48% small cap growth stocks (the "small cap growth segment"). Each of the segments has been treated by the Investment Company (including its Board of Directors) and its adviser for internal purposes as a separate, identifiable portfolio with its own investments (including cash and short-term investments), its own performance measurement criteria, and separate performance figures, and recently each portfolio or segment has been handled by separate portfolio managers. The Aggressive Equity Fund currently invests substantially all of its assets in small cap stocks, and its benchmark index is the Russell 2000® Index, which is comprised of both small cap value and small cap growth stocks. The investment adviser has decided that, at the present time, the appropriate method for determining the ratio of growth and

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[1] American Life was sold in March, 2001, to an unaffiliated third-party purchaser. The remaining participants in the separate accounts of that company to which certain of the Investment Company series are available did not affirmatively elect to transfer to separate accounts of Mutual of America Life Insurance Company at or prior to the sale, as was then required by the insurance laws and regulations of certain states. No new participants are permitted under the American Life separate accounts (though new payments and transfers from current participants are possible), so that they will continue to shrink in assets until there are no more participants.

[2] For the sake of convenience, and since the matters addressed in this letter are identical in nature for both the American Life and the MOA separate accounts, all references to the separate accounts hereafter shall include both companies' separate accounts that invest in the Funds.

value stocks in the Aggressive Equity Fund is by matching substantially the allocation of such types of securities in the Russell 2000® Index.

While, as stated above, the Aggressive Equity Fund can invest in growth and value stocks in any ratio determined by its investment adviser, the Small Cap Growth Fund must invest at least 80% of its assets in small cap growth stocks and the Small Cap Value Fund must invest at least 80% of its assets in small cap value stocks. The investment practices and policies of the Small Cap Growth Fund are identical to the investment practices and policies of the small cap growth segment of the Aggressive Equity Fund, and the investment practices and policies of the Small Cap Value Fund are identical to the investment practices and policies of the small cap value segment of the Aggressive Equity Fund. The Small Cap Value Fund and the small cap value segment of the Aggressive Equity Fund are managed by the same portfolio manager, and the same is true for the Small Cap Growth Fund and the small cap growth segment of the Aggressive Equity Fund.

The Aggressive Equity Fund pays its investment manager, Mutual of America Capital Management Corporation (the "Adviser"), an advisory fee of 0.75% of the average daily net assets of the Fund. The New Funds are each also advised by the Adviser under the same Investment Advisory Agreement covering the Aggressive Equity Fund and all other series of the Investment Company. Each New Fund also pays an advisory fee of 0.75%. Prior to May 1, 2006, the advisory fee for each Fund was 0.85% and each Fund's expenses were limited to the advisory fee and certain transactional and extraordinary expenses under an Amended and Restated Agreement to Pay Operating Expenses ("Agreement"), effective as of January 1, 2003. The Adviser notified the Investment Company that this limitation would be terminated as of midnight on April 30, 2006. Thus, since the termination has taken effect, the Investment Company is no longer being reimbursed by the Adviser for any of its expenses. However, the Adviser agreed to reduce its advisory fee for the New Funds and the Aggressive Equity Fund by 10 basis points each, effective May 1, 2006, to the present fee of 0.75% for each Fund.

II. Summary Of Transaction

The proposed reorganization transaction involves the transfer of the assets of the Aggressive Equity Fund to the Small Cap Growth Fund and the Small Cap Value Fund in exchange for shares of each New Fund and the assumption by the New Funds of the liabilities of the Aggressive Equity Fund.

Specifically, the assets of the small cap value segment (including its cash and short-term investments) will be transferred to the Small Cap Value Fund, and the assets of the small cap growth segment (including its cash and short-term investments) will be transferred to the Small Cap Growth Fund. Similarly, the liabilities identified with the small cap value segment will be transferred to the Small Cap Value Fund, and the liabilities identified with the small cap growth segment will be transferred to the Small Cap Growth Fund. The only assets or liabilities that are not specifically identified with a particular segment are liabilities incurred by the Aggressive Equity Fund for accrued operating expenses, which will be assessed proportionately to each New Fund based on the corresponding segment's net assets.

As a consequence of the above, neither the Investment Company nor the Adviser will have any discretion as to which securities of the Aggressive Equity Fund are transferred to which New Fund. Rather which New Fund a particular security is transferred to will be determined by which segment that particular security is a part of.

Immediately following the transfer of assets and the assumption of liabilities of the Aggressive Equity Fund by the New Funds, the Aggressive Equity Fund will distribute the respective New Fund shares to the Aggressive Equity Fund shareholders in exchange for their Aggressive Equity Fund shares. The ratio of the value of the shares of each of the New Funds to be received by the shareholders will be equal to the ratio stated above of the respective values of the growth stocks and value stocks -- that is, approximately 52% in shares of the Small Cap Value Fund and 48% in shares of the Small Cap Growth Fund, or such other percentage as may represent the actual ratio at the time of the transaction.

At the subaccount level of the separate accounts, the Aggressive Equity Fund subaccount will transfer the shares of each of the New Funds it has received to the respective New Fund subaccount in exchange for units of those subaccounts. The units of the Aggressive Equity Fund subaccount will be redeemed and exchanged for units in the New Funds subaccounts. The proposed reorganization will result in a realignment of investments between different investment alternatives available to variable contract owners.

After the transaction, all of the issued and outstanding shares of the Aggressive Equity Fund will be canceled on the books of the Fund and the transfer books of the Aggressive Equity Fund will be permanently closed, thus in effect dissolving the Aggressive Equity Fund. The Investment Company will treat the canceled shares as authorized but not outstanding, unallocated shares, which will be available for future reallocation by the Board of the Investment Company. The proposed transaction is expected to be effective upon the opening of business on September 1, 2006 or such later date as management may determine.

The shareholders of the Aggressive Equity Fund will be asked to consider and approve the proposed transaction in a proxy vote. The Investment Company will solicit the proxies by registering the shares of the New Funds on Form N-14, the combined prospectus/proxy statement form under the federal securities laws. As of the record date for the shareholders meeting, the Insurance Companies, on behalf of their respective separate accounts, will be the legal owners of 100% of the shares of the Aggressive Equity Fund, the Small Cap Growth Fund and the Small Cap Value Fund. No shareholder of the Aggressive Equity Fund, and no variable contract owner who has invested in the units of the separate accounts, will pay a sales or other charge or expense in connection with the transaction. MOA and/or the Adviser will bear the costs and expenses associated with the transaction, including costs of soliciting proxies.

In the view of Investment Company management, each variable contract owner with separate account allocations to the Aggressive Equity Fund will be economically in substantially the same position immediately after the transaction as they were immediately prior to the transaction (including the same portfolio managers and the same investment advisory fees), with the added benefit of being able to determine for himself or herself the ratio between small cap value and growth stocks. Indeed, by appropriate reallocation from time to time between the two New Funds, a variable contract owner could maintain the current ratio and thus be in the same position as if no transaction had taken place, with the exception that the investment adviser would not be initiating changes in the ratio going forward. Any change in the ratio subsequent to the transaction would be determined by the variable contract owner, or by a change in the relative net asset values of the shares of the New Funds because of investment results of the New Funds.

III. Discussion of the No-Action Request

In the proposed transaction, there are two surviving funds whose shares are being exchanged for all of the portfolio assets of the merging fund. We have been unable to find any similar situation where an existing fund has transferred its assets for the shares of two other funds. What is actually taking place is the conversion of a fund with two segments, with the percentage of assets of the fund allocated to each segment determined by the adviser, into two separate funds where the customer is able to decide the ratio of the investment in the different styles represented by each New Fund.

Section 17(a) of the 1940 Act provides generally that it is unlawful for any affiliated person of a registered investment company, or any affiliated person of such a person, acting as principal to knowingly purchase or to sell any security or other property from or to such registered company. Rule 17a-8 under the 1940 Act exempts certain mergers of affiliated investment companies from the provisions of Section 17(a) of the 1940 Act provided certain conditions are met. The transaction raises an issue under Section 17(a) of the 1940 Act because it could be viewed as involving an investment company (the Aggressive Equity Fund) selling its assets to other investment companies (the New Funds) that are each affiliated by reason of having the same investment adviser[3]. On its face, Rule 17a-8 does not seem to apply because the definition of "merger" in Rule 17a-8 (see paragraph (b)(1) of the Rule) under the 1940 Act is "the merger, consolidation, or sale of substantially all of the assets between a registered investment company (or a series thereof) and another company," and in the proposed transaction, there is more than one surviving company, not just "another company."[4]

Nevertheless, for the reasons set forth below, we believe it is appropriate for the Staff to provide no-action assurance with respect to the provisions of Section 17(a) to the extent necessary to permit the transaction. The Investment Company believes that, on a practical level, there is no substantive issue that turns on whether the assets of the old fund are transferred to one fund or to two surviving funds. The transaction could also be characterized as the merger of

[3] Under Section 2(a)(3)(C) of the 1940 Act, each of the Funds may be deemed an affiliate of the others because they may be deemed to be under the common control of their investment adviser.

[4] In addition to the concerns underlying Section 17 that may be present in this transaction and in mergers of affiliated funds generally, because this transaction, unlike a merger as defined in the Rule, involves two surviving and affiliated funds, it could present the possibility that one of the New Funds would be favored over the other, for instance, with respect to the selection of the securities of the liquidating fund to be transferred.

each of the two segments of the Aggressive Equity Fund into the corresponding New Fund. While the prospectus of the Investment Company does not expressly discuss segments, it does state that "the Adviser determines the percentage of the Fund's assets invested in growth stocks or value stocks at any time," and the portfolio has in fact been managed by the Adviser as two distinct segments, as pointed out above. Obviously, if each segment had been a separate series of the Investment Company, there would be no question that the transaction in each case would have been a typical merger.

The purpose of Section 17(a) of the 1940 Act was mainly to prohibit "a purchase or sale transaction when a party to the transaction has both the ability and pecuniary incentive to influence the actions of the investment company."[5] The Commission developed the procedures set forth in Rule 17a-8 in light of this basic purpose of Section 17(a). Thus, the Commission staff has stated that the policy behind Rule 17a-8 is that "investors in affiliated funds merging under the rule would be protected because affiliates of the merging funds whose interests were limited to serving as adviser, director or officer of the merging funds would not have both the ability and the pecuniary interest to affect the terms of the merger, and because compliance with the rule's conditions would preclude the types of abuses that occurred in connection with fund mergers before 1940." (See Release No. IC-25259, SEC Lexis 2370, page 4.) These abuses included diverting assets to affiliates of the fund for the purpose of unloading assets, changing the management contracts or the rights associated with certain shares, or changing the corporate structure of the funds involved. Section 17(a) was meant to prevent overreaching by affiliates of the fund. The 2002 amendments to the Rule extended the coverage of the Rule to funds affiliated for any reason, and relied on the board determinations set forth in footnote 6 below to prevent any overreaching by affiliates of a fund.

In light of the purpose of Section 17(a) set forth above, the same assurance of fairness that led the Commission to adopt Rule 17a-8, as well as its amendments, exists in the proposed transaction. The Funds will follow all the conditions of the Rule[6], and closing of the transaction will be conditioned upon receiving the affirmative vote of a majority of the shareholders (the separate accounts of the Insurance Companies) of the Aggressive Equity Fund in a proxy vote. Specifically, the transaction will be reviewed and approved by a majority of the Independent Directors of the Investment Company and by the shareholders (in this case, the affirmative vote of a majority of the shares of the Aggressive Equity Fund voted pursuant to the instructions received from the variable contract owners who in effect are the beneficial owners of the shares

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[5] See *Investment Company Act Release No. 10866 (October 2, 1979),* citing Investment Trusts and Investment Companies: Hearings on S. 3580 Before a Subcomm. of the Senate Comm. on Banking and Currency, 76th Cong., 3d Sess., at 256-259 (1940).

[6] Rule 17a-8 requires, *inter alia*, that the board of the merging company or series (i) determine that participation in the merger is in the best interests of the shareholders of the merging company and that the interests of those shareholders will not be diluted and (ii) request and evaluate all necessary information. A majority of the board must be directors who are not "interested persons" of the Investment Company within the meaning of Section 2(a)(19) of the 1940 Act (the "Independent Directors"), and new directors must be nominated by the Independent Directors. The factors and determination of the board must be fully set forth in the minute books of the investment company. The surviving entity must preserve records relating to the merger for six years. A shareholder vote of the merging fund or series is required in certain instances.

of the Aggressive Equity Fund) of the fund being eliminated. Five of the six directors on the Investment Company Board are Independent Directors. In connection with the proposed transaction, the Board of the Investment Company requested and evaluated information that was necessary to the determinations set forth in footnote 6 above. This included information that assisted the Board in assessing whether one of the New Funds would be favored over the other, such as information concerning the selection of the portfolio securities of the Aggressive Equity Fund that are to be transferred to the New Funds.

Similar relief has been granted by the Staff in *Templeton Growth Fund, Ltd. And Templeton Growth Fund, Inc.* (pub. avail. February 4, 1987). There, a Canadian mutual fund was transferring about sixty percent of its assets to a new American mutual fund in order to provide certain tax benefits to its American shareholders. The Staff granted relief from Section 17(a) even though the transfer would not qualify for the exemption provided by Rule 17a-8, since the Staff did not necessarily agree that the sale of sixty percent of the assets to the new fund would constitute a "sale of substantially all of the assets" of the old fund so as to meet the definition of merger under the rule. This transfer also presented the possibility that one fund in the transaction would be favored over the other with respect to the securities being transferred, since not all the assets were being transferred. The Staff nevertheless granted the no-action request because of the unique facts and circumstances of that situation. The fund maintained that following the Rule 17a-8 procedures, including the board of directors determinations required by the rule that the transaction is in the best interests of the shareholders of the old fund and such interests will not be diluted, would provide the necessary protection for the shareholders of the old fund.

Moreover, in the proposed transaction, to further assure that neither of the New Funds would be forced to accept inappropriate or unwanted securities (that is, "dumping" illiquid securities into one of the New Funds so as to benefit the other New Fund), the Board of the Investment Company, including a majority of the Independent Directors, will determine, after the closing of the transaction, that all transfers made did not favor one of the New Funds to the detriment of the other New Fund and were in the best interests of each New Fund.

It should also be noted that since, as described earlier, the particular New Fund to which a security currently owned by the Aggressive Equity Fund will be transferred is determined by which small cap segment of the Aggressive Equity Fund that security is a part of, and since there is no discretion on the part of the Investment Company or the Adviser as to which New Fund a particular security is transferred, the potential for abuse or conflict is greatly reduced.

Section 17(b) of the 1940 Act generally gives the Commission authority to grant exemptive orders for transactions otherwise prohibited by Section 17(a). We do not believe that the Investment Company and the Insurance Company should be required to submit an application for an exemptive order under these circumstances. The Staff has been flexible in these situations, and has given no-action relief from Section 17(a) where formal exemptive relief was not considered necessary.[7]

We are aware that the Commission, in its release proposing amendments to Rule 17a-8 (Release No. IC-25259, November 8, 2001), stated:

"In the event that we adopt the proposed amendment to rule 17a-8, it is our intention that all mergers of funds with other funds, bank common trust funds, and bank collective trust funds, or any other affiliated entities will occur either (i) in compliance with rule 17a-8 or (ii) pursuant to an exemptive order under section 17(b)." (Release No. IC-25259, at footnote 54.)

However, this statement should not preclude no-action relief in the case of the unique features of this transaction, as there is no indication that the Commission considered a situation where there were two surviving companies. Indeed, it can be argued that since the proposed transaction does not meet the definition of merger as set forth in Rule 17a-8 or the proposing release, the policy set forth in that footnote does not apply.[8]

IV. No-Action Request

Based upon the above facts and circumstances, we respectfully request that the Commission Staff issue a letter that it will not recommend that the Commission take any enforcement action under Section 17(a) of the 1940 Act in connection with the proposed transaction.

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[7] See *GE Life and Annuity Assurance Company* (pub. avail. June 25, 2004) (granting no-action relief for merger of registered separate accounts structured as unit investment trusts even though the separate accounts could not use Rule 17a-8 because the separate accounts had no boards of directors); *Signature Financial Group* (pub. avail. Dec. 28, 1999) (stating that redemptions in kind by affiliated funds are governed by Section 17(a), but granting no-action relief under the Section nonetheless).

[8] See *GE Life and Annuity Assurance Company*, op.cit., where the Staff granted no-action relief subsequent to the adoption of the policy set forth in the footnote cited above in a case of the merger of separate accounts structured as unit investment trusts.

If you have any questions or require further information with respect to this matter, please call me at 202-383-0158 or Chris Nicholas of our New York office at 212-389-5046.

Sincerely,

Stephen E. Roth

Stephen E. Roth

cc: Thomas L. Martin
Mutual of America Life Insurance Co.

Christopher P. Nicholas
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Kenneth C. Fang, Senior Counsel
Securities and Exchange Commission