

UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT COMPANY ACT OF 1940
Release No. 29721 / July 12, 2011

In the Matter of :
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 HIGHMARK FUNDS :
 HIGHMARK CAPITAL MANAGEMENT, INC. :
 c/o Gregory C. Davis, Esq. :
 Ropes & Gray LLP :
 Three Embarcadero Center :
 San Francisco, California 94111-4006 :
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 (812-13843) :
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ORDER UNDER SECTION 6(c) OF THE INVESTMENT COMPANY ACT OF 1940
GRANTING AN EXEMPTION FROM RULE 12d1-2(a) UNDER THE ACT

HighMark Funds and HighMark Capital Management, Inc. filed an application on November 10, 2010, and an amendment to that application on April 29, 2011, requesting an order under section 6(c) of the Investment Company Act of 1940 (“Act”) granting an exemption from rule 12d1-2(a) under the Act. The order would permit open-end management investment companies relying on rule 12d1-2 under the Act to invest in certain financial instruments.

On June 16, 2011, a notice of the filing of the application was issued (Investment Company Act Release No. 29694). The notice gave interested persons an opportunity to request a hearing and stated that an order granting the application would be issued unless a hearing was ordered. No request for a hearing has been filed, and the Commission has not ordered a hearing.

The matter has been considered, and it is found, on the basis of the information set forth in the application, as amended, that granting the requested exemption is appropriate in the

public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Accordingly,

IT IS ORDERED, that the exemption under section 6(c) of the Act from rule 12d1-2(a) under the Act requested by HighMark Funds and HighMark Capital Management, Inc. (File No. 812-13843) is granted, effective immediately, subject to the condition contained in the application, as amended.

For the Commission, by the Division of Investment Management, under delegated authority.

Cathy H. Ahn
Deputy Secretary

Action as set forth recommended herein
APPROVED pursuant to authority delegated
by the Commission under Public Law 87-592

For: Division of Investment Management

By: _____
(date)