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UnionBanCal says SEC investigating mutual funds

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NEW YORK, Nov 8 (Reuters) - UnionBanCal Corp. <UB.N>, the parent of Union Bank of California, that the U.S. Securities and Exchange Commission was investigating payments its mutual fund unit received from an outside administrator.

The inquiry, disclosed in a regulatory filing late on Tuesday, involves fees received by UnionBanCal's HighMark Funds unit from the administrator.

It comes as the SEC investigates possible improper payments made to mutual fund management groups by outside contractors hired to handle fund marketing and other administrative details for them.

Other banks, including JPMorgan Chase & Co. <JPM.N> and AmSouth Bancorp <ASO.N>, have previously been contacted as part of the probe.

Officials at San Francisco-based UnionBanCal were not immediately available for comment.

The administrator involved in those two cases, Bisys Group Inc. <BSG.N>, in September agreed to pay \$21.4 million to settle fraud charges stemming from allegedly improper handling of mutual fund marketing expenses.

HighMark Funds has 21 individual funds with more than \$7 billion in assets.

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