The Asset Management Industry
SERVING INDIVIDUAL INVESTORS
INVESTMENT COMPANY INSTITUTE

MEMO# 23279

February 27, 2009

Status of Risk Primer Project

[23279]

February 27, 2009

TO: RISK MANAGEMENT ADVISORY COMMITTEE No. 2-09 RE: STATUS OF RISK PRIMER PROJECT

As you know, for the past year, the Institute's Risk Management Advisory Committee has been engaged in its latest project – drafting a risk primer for mutual fund directors. Unlike our previous project, publication of The Role of a Chief Risk Officer in Mutual Fund Organizations, which was solely undertaken by the RMAC, the current project is a joint initiative of the RMAC and the Independent Directors Council (IDC), which is comprised of independent directors of mutual fund complexes. In particular, the RMAC is taking the lead in drafting the primer's chapters, with a working group of independent directors from the IDC providing feedback on the drafts. The feedback from the IDC's members will better ensure that directors will find the format and substance of the chapters valuable. Upon being finalized, the chapters of the primer are expected to be available to directors through the Directors Reference Center portion of the IDC's website (www.idc1.org), which provides educational materials to mutual fund directors, as well as in hard copy.

In furtherance of this project, the first chapter of the primer has been finalized by the RMAC's working group, vetted through the full RMAC, and provided to the IDC. Attached is a copy of the transmission memo to the IDC, which accompanied the chapter. We look forward to hearing from the IDC's working group when they have had a chance to review the draft. Once we hear from them, we can begin work on subsequent chapters of the primer, which will be drafted using the same format.

Tamara K. Salmon
Senior Associate Counsel

Attachment

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.