

MEMO# 20859

February 9, 2007

ICI Encourages Other Associations to Alert Their Members to the April 16th Compliance Date for the Redemption Fee Rule

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TO: SEC RULES MEMBERS No. 16-07
OPERATIONS MEMBERS No. 7-07
BROKER/DEALER ADVISORY COMMITTEE No. 10-07
BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 5-07
TRANSFER AGENT ADVISORY COMMITTEE No. 9-07
SMALL FUNDS MEMBERS No. 16-07 RE: ICI ENCOURAGES OTHER ASSOCIATIONS TO
ALERT THEIR MEMBERS TO THE APRIL 16TH COMPLIANCE DATE FOR THE REDEMPTION FEE
RULE

Members of the Institute have recently expressed concern about many financial intermediaries being unaware of the April 16th compliance date for the SEC's redemption fee rule, Rule 22c-2 under the Investment Company Act of 1940. Of particular concern is that the lack of knowledge of some financial intermediaries with the rule and its shareholder information agreement provisions, resulting in these intermediaries not responding to members' requests that they sign such agreements. Failure to have an agreement executed by April 16th may result in these intermediaries losing their ability to effect mutual fund transactions.

To help spread the word regarding the urgency of the April 16th compliance date in the financial intermediary community, the Institute has sent the attached letter to trade groups representing such intermediaries. The letter encourages these groups to alert their

members to the requirements of Rule 22c-2 and provides them a link to the ICI's public website, which includes more detailed information about the rule and its impact on financial intermediaries. (This is the same information that has been provided by the ICI to members to assist them in implementing the rule.)

The attached letter has been sent to the following groups: the American Bankers Association (ABA), the Association of Independent Trustees (AITCO), the American Society of Pension Professionals and Actuaries (ASPPA), the Financial Services Institute, Independent Community Bankers of America (ICBA), NAVA, the Securities Industry and Financial Markets Association (SIFMA), and the SPARK Institute.

We hope the attached letter helps get the word out about the rule's impact on financial intermediaries. If there are other groups that should receive this letter, please let us know.

Kathleen C. Joaquin
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[Attachment](#)

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