

MEMO# 21885

October 24, 2007

Institute Letter to SEC Staff on Disclosure Reform Initiative

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TO: SEC RULES COMMITTEE No. 84-07 RE: INSTITUTE LETTER TO SEC STAFF ON
DISCLOSURE REFORM INITIATIVE

As you know, the staff of the SEC's Division of Investment Management is developing a mutual fund disclosure reform rule proposal for presentation to the Commission. The proposal contemplates allowing funds to deliver a short-form disclosure document to shareholders, and make additional information (i.e., the full prospectus and SAI) available on the Internet and in paper upon request. On June 27th, representatives of the Institute and several member firms met with the staff to discuss this initiative.

At the request of the staff, the Institute submitted a follow-up letter to provide additional information on three issues that were discussed at the meeting: the timing of delivery of a short-form fund disclosure document ("summary prospectus"); the cost, operational, and other implications of updating a summary prospectus; and certain aspects of the content of the summary prospectus. A copy of the letter is attached. [\[1\]](#)

The Institute continues to consider several issues relating to this disclosure reform initiative. Once the Commission formally issues a rule proposal, we will circulate it and seek your input for our comment letter.

If you have any questions or comments in the meantime, please do not hesitate to contact Frances Stadler (frances@ici.org or 202/326-5822) or me (mshreck@ici.org or 202/326-5923).

Mara Shreck
Assistant Counsel

[Attachment](#)

endnotes

[\[1\]](#) The letter was included in the materials for last week's SEC Rules Committee meeting.

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