

MEMO# 23616

July 9, 2009

Institute Publishes Compendium of SEC's Valuation Guidance

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TO: BOARD OF GOVERNORS No. 7-09
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END OF DAY PRICING FORUM No. 10-09 RE: INSTITUTE PUBLISHES COMPENDIUM OF
SEC'S VALUATION GUIDANCE

The Investment Company Institute today posted to its website a compendium of valuation guidance issued by the Securities and Exchange Commission and its staff over the past 40 years. The compendium, titled SEC Valuation and Liquidity Guidance for Registered Investment Companies Compendium, Volumes 1 and 2, is available at http://www.ici.org/policy/regulation/compliance/09_news_valuation.

One of the hallmarks of mutual funds and other registered investment companies is that they assign a value to each of their portfolio holdings every business day, as required by the Investment Company Act of 1940. Funds are obligated to implement and oversee valuation policies and procedures, and the SEC has issued a great deal of guidance regarding the valuation process. In addition, the Financial Accounting Standards Board has issued accounting guidance related to the fund valuation process.

Because of the inherent importance of the valuation process for funds, and the wide-ranging nature of the guidance that exists in a multitude of Commission releases, staff letters, and enforcement actions, as well as accounting publications, we have created this indexed and easily searchable compendium. We intend to update the compendium from time to time as appropriate to reflect new developments.

Karrie McMillan
General Counsel

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