

MEMO# 9331

October 10, 1997

INSTITUTE PREPARES DRAFT LETTER REQUESTING STAFF MODIFICATION OF BOARDS OF DIRECTORS' REVIEW RESPONSIBILITIES REGARDING REPURCHASE AGREEMENTS

[9331] October 10, 1997 TO: SEC RULES COMMITTEE No. 101-97 RE: INSTITUTE PREPARES DRAFT LETTER REQUESTING STAFF MODIFICATION OF BOARDS OF DIRECTORS' REVIEW RESPONSIBILITIES REGARDING REPURCHASE AGREEMENTS

_____ As was discussed at the last committee meeting, we have prepared a draft letter to the SEC staff requesting that they modify the review responsibilities of investment company boards of directors regarding repurchase agreements, particularly the evaluation requirement with respect to the creditworthiness of broker or dealer repo counterparties, and the review requirement with respect to the form of repurchase agreement. Attached is the Institutes draft letter. The draft letter will be discussed at the upcoming meeting on Wednesday, October 22nd. If you are unable to attend, please call (202) 326-5923, fax (202) 326-5828, or e-mail (simmonbe@ici.org) me with your comments by Tuesday, October 21st. Barry E. Simmons Assistant Counsel Attachment (in .pdf format)

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