

**MEMO# 20378**

September 18, 2006

## **Institute Comment Letter to MSRB on "Access Equals Delivery" Standard for Official Statements**

©2006 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. [20378] September 18, 2006 TO: 529 PLAN MEMBERS No. 19-06 FIXED-INCOME ADVISORY COMMITTEE No. 6-06 INST. MONEY MARKET FUNDS ADVISORY COMMITTEE No. 4-06 MONEY MARKET FUNDS ADVISORY COMMITTEE No. 4-06 RE: INSTITUTE COMMENT LETTER TO MSRB ON "ACCESS EQUALS DELIVERY" STANDARD FOR OFFICIAL STATEMENTS On September 14th, the Institute filed a comment letter with the Municipal Securities Rulemaking Board regarding electronic delivery of official statements for municipal securities. The MSRB requested comment on an electronic delivery proposal patterned after the Securities and Exchange Commission's "access equals delivery" standard, which permits broker-dealers to make prospectuses electronically available to investors rather than having to deliver printed copies.\* The Institute's comment letter is attached, and is summarized below. The Institute's letter commends the MSRB for its initiative to promote more effective and efficient delivery of material information on municipal securities to new issue customers and the marketplace in general. It states that the Institute strongly supports the "access equals delivery" standard for official statements in the primary municipal securities market. The letter then sets forth the Institute's position that investors would be best served if official statements were made available at a centralized Internet website, rather than through a central directory. It further recommends that, in either case, the new system should electronically submit official statements to nationally recognized municipal securities information repositories (NRMSIRs), as is currently done with secondary market disclosures through the central post office operated by the Municipal Advisory Council of Texas. \* See MSRB Seeks Comments on Application of "Access Equals Delivery" Standard to Official Statement Dissemination for New Issue Municipal Securities, MSRB Notice 2006-19 (July 27, 2006) (the "Notice"). The Notice is available on the MSRB's website at: <http://www.msrb.org/msrb1/whatsnew/2006-19.asp>. 2 Finally, the letter addresses the MSRB's question as to whether the "access equals delivery" model should be available for municipal fund securities such as 529 plans. It states that the Institute supports increased reliance on electronic disclosure for mutual funds as well as municipal fund securities. Further, the Chairman of the SEC has expressed his commitment to exploring the use of technology to improve mutual fund disclosure. The Institute is working closely with the SEC to achieve this important goal. Therefore, the letter offers the Institute's recommendation that the MSRB consider the SEC's ongoing initiative as it proceeds with its rulemaking. Mara Shreck Assistant Counsel Attachment (in .pdf format) Note: Not all recipients receive the

attachment. To obtain a copy of the attachment, please visit our members website (<http://members.ici.org>) and search for memo 20378, or call the ICI Library at (202) 326-8304 and request the attachment for memo 20378.

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