

**MEMO# 14000**

October 2, 2001

# **ICI TRANSFER AGENT ADVISORY COMMITTEE -- REDEMPTION PRACTICES SURVEY**

[14000] October 2, 2001 TO: OPERATIONS COMMITTEE No. 27-01 TRANSFER AGENT ADVISORY COMMITTEE No. 71-01 RE: ICI TRANSFER AGENT ADVISORY COMMITTEE -- REDEMPTION PRACTICES SURVEY Several months ago the Transfer Agent Advisory Committee established a Task Force to assess redemption transaction processing practices and procedures in our industry. The task force developed the enclosed survey to gather information on redemption practices and procedures. The survey was sent to members of the Operations and Transfer Agent Advisory Committees for completion. The survey solicited information on (1) the profile of the responding firm, (2) the types of redemption requests accepted, (3) good order review procedures, (4) redemption trade limits, (5) tax and sales charge policies, (6) transaction processing and follow-up procedures, and (7) fraud prevention procedures. Sixty-one mutual fund complexes completed the survey on a specially designated area of the Institute's member website. The survey results and a listing of the mutual fund complex participants are attached for your review. All survey responses were aggregated and no individual complex name or data has been distributed or discussed in the final document. The survey was prepared by the ICI for informational purposes only. Any decisions by Institute Members in response to this material should be done independently. The aggregate survey results will be shared with the Committees and reviewed and discussed at future Committee meetings. We would like to extend our thanks to Charles Hawkins of PNC Financial Services Group and Tom Lanio of Van Kampen Investor Services who co-chaired this important project, as well as the following Transfer Agent Advisory Committee members who participated on the Redemption Practices Survey Task Force: Susan Cornwell - Oppenheimer Shareholder Services, Inc. Linda Gieger/Linda Justice - INVESCO Funds Group, Inc. Keith Glasscock - Pioneer Investment Joe Jimenez/Cynthia McClary - BISYS Fund Services Group, Inc. 2 Charlie Ragusa - CDC IXIS Asset Management Services, Inc. Marc Scher - Merrill Lynch Investment Managers If you have any questions regarding the survey, please contact the undersigned at 202- 326-5930 or by email at [kjoaquin@ici.org](mailto:kjoaquin@ici.org). Kathleen C. Joaquin Director - Transfer Agency & International Operations Attachment Attachment (in .pdf format)