

**MEMO# 7156**

August 2, 1995

## **AUGUST 17 MEETING TO DISCUSS PROPOSED MONEY MARKET FUND PROSPECTUS AND QUARTERLY REPORTING REQUIREMENT**

1 See Memorandum to Accounting/Treasurers Committee No. 29-95, Money Market Funds Ad Hoc Committee No. 9-95 and SEC Rules Committee No. 84-95, dated July 25, 1995.

August 2, 1995 TO: ACCOUNTING/TREASURERS COMMITTEE No. 30-95 MONEY MARKET FUNDS AD HOC COMMITTEE No. 10-95 SEC RULES COMMITTEE No. 91-95 RE: AUGUST 17 MEETING TO DISCUSS PROPOSED MONEY MARKET FUND PROSPECTUS AND QUARTERLY REPORTING REQUIREMENT

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The Institute has scheduled a meeting to discuss the SECs proposed amendments to the registration forms for money market funds and proposed new Rule 30b3-1 under the Investment Company Act of 1940 to require money market funds to file with the SEC quarterly reports regarding their portfolio holdings. 1 The meeting will be held at the Institute on August 17, at 10:00 a.m. We are pleased to inform you that Robert Plaze, Assistant Director of the Division of Investment Management, will attend the first part of the meeting to discuss these proposals. Attached is a draft agenda for the August 17th meeting. It should be noted that in the release proposing changes to money market fund disclosure requirements, several non-disclosure related amendments have been proposed, several of which would apply to all funds. Among other things, the Commission has proposed changes to the tax-exempt money fund yield calculation, a technical change to the calculation of total return in the financial highlights table and several technical amendments to the fee table. In addition, the Commission has proposed to delete the requirement that a fund include as an exhibit to its financial statements a schedule showing how the fund computes performance quotations. In view of the fact that the quarterly reporting proposal raises a number of technical issues regarding the ability of funds to maintain certain information in their systems and to transmit that information to the SEC through the EDGAR system, we recommend that prior to the meeting you discuss within your firms any burdens and costs that these requirements may impose and ways they could be addressed. Please contact Eleanor Aguilar at 202/326-5814 by August 11, 1995 to let her know whether you or a representative from your firm will be attending the meeting. Comments are due to the SEC on the proposals by September 27, 1995. If you are unable to attend the meeting, please provide me with your comments by August 23, 1995. My direct number is 202/326-5824 and the fax number is 202/326-5827. Amy B.R. Lancellotta Associate Counsel Attachment

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