

**MEMO# 8409**

November 21, 1996

## **YEAR 2000 DATA PROCESSING IMPACT**

November 21, 1996 TO: ACCOUNTING/TREASURERS MEMBERS No. 40-96 BANK AND TRUST ADVISORY COMMITTEE No. 32-96 BROKER/DEALER ADVISORY COMMITTEE No. 19-96 CHIEF COMPLEX CONTACTS (MEMBERS - ONE PER COMPLEX) No. 85-96 OPERATIONS MEMBERS No. 50-96 TRANSFER AGENT ADVISORY COMMITTEE No. 66-96 RE: YEAR 2000 DATA PROCESSING IMPACT

As has previously been communicated (Accounting Treasurers Members No. 16-96; Bank and Trust Advisory Committee No. 18-96; Broker Dealer Advisory committee No. 11-96; Members - One Per Complex No. 47-96; Operations Members No. 26-96; Transfer Agent Advisory Committee No. 31-96), the approach of the Year 2000 compels the business community in general to undertake an exhaustive review of its current data processing conventions. Specifically, the practice within a significant number of computer systems of using a two digit convention for denoting the year portion of a date (i.e., 96 for 1996, 97 for 1997) leaves those systems incapable of recognizing a change of century. The Investment Company Institute wishes again to stress to members the importance of addressing this critical issue. The Securities and Exchange Commission has indicated that it views preparedness for the Year 2000 as a matter of the highest concern, and will be urging, during the course of on-site examinations, that members undertake appropriate modifications to their respective systems and programs. With the minimal time window for effecting corrective action between now and the millennium, we strongly recommend that all members undertake a comprehensive review of their systems, systems interfaces, and systems programming to ensure that all Year 2000 transition issues are dealt with accordingly. As a resource for dealing with the Year 2000 issue, Institute members may wish to utilize information and services made available by the Information Technology Association of America (ITAA), the leading information technology trade association. ITAA can provide a wealth of information to companies grappling with the Year 2000 issue either through its Web Site (<http://www.ita.org>) or through the mail. ITAA can be reached as follows: Information Technology Association of America 1616 N. Fort Myer Drive Suite 1300 Arlington, VA 22209 Phone: 703/522-5055 In addition to the materials that ITAA generally makes available, it also offers a year 2000 certification program, ITAA\*2000. Information regarding this program may be obtained by contacting Heidi Hooper, Year 2000 Project Manager at ITAA. Her phone number is 703/284-5312 and her e-mail address is [hhooper@ita.org](mailto:hhooper@ita.org). If you have questions, comments or concerns regarding Year 2000 data processing issues, please do not hesitate to contact the undersigned at 202/326-5845, or Kevin Farragher at 202/326-5848. Donald J. Boteler Vice President Operations and Training

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