

MEMO# 6172

August 29, 1994

NASAA RESPONSE TO INSTITUTE LETTER ON SUMMARY PROSPECTUS PROPOSAL

August 29, 1994 TO: SEC RULES COMMITTEE NO. 99-94 STATE LIAISON COMMITTEE NO. 49-94 RE: NASAA RESPONSE TO INSTITUTE LETTER ON SUMMARY PROSPECTUS PROPOSAL

As we previously reported, the Institute recently responded to a letter from the Investment Companies Committee of the North American Securities Administrators Association, Inc., to the SEC's Division of Investment Management, regarding the Commission's summary prospectus proposal. (See Memorandum to the Board of Governors No. 58-94, SEC Rules Committee No. 71-94, State Liaison Committee, No. 41-94, dated July 5, 1994.) The NASAA Committee has responded with the attached letter to the Division. As you may recall, the Institute's letter questioned the methods by which the Committee conducted its survey of state regulators. For example, the Institute letter questioned the objectivity of the survey, especially since the Committee only provided the Commission with the states' negative comments on the summary prospectus proposal. In response, the Committee's letter states that the Committee attempted to identify issues that might inhibit adoption of the proposal by state securities regulators, and asked questions about these areas. The Committee's letter continues, "Admittedly, we selected the responses that supported our conclusions . . . We did not, and do not, make any claim that the survey was conducted scientifically." Thomas M. Selman Assistant Counsel Attachment

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