

MEMO# 10426

October 27, 1998

MONEY MARKET FUND PORTFOLIO INSURANCE MEETING

[10426] October 27, 1998 TO: BOARD OF GOVERNORS No. 72-98 PRIMARY CONTACTS - MONEY MARKET FUNDS No. 3-98 PRIMARY CONTACTS - MEMBER COMPLEX No. 100-98 ALL ICI MUTUAL INSURED COMPLEXES No. 10-98 ICI MUTUAL BOARD OF DIRECTORS No. 14-98 RE: MONEY MARKET FUND PORTFOLIO INSURANCE MEETING

_____. As you know, ICI Mutual, the mutual fund industry's captive insurance company, has been working to create money market fund portfolio insurance. In the development of this product, ICI Mutual has received substantial input from money market fund members and their portfolio managers. The insurance will provide coverage for defaults and similar risks affecting money market fund portfolio securities. It is believed that the policy provisions are wholly responsive to the needs of money market funds, most critically, in addressing the need for an immediate response in the event of a potential loss. The product will be issued by ICIM Reinsurance Company, a wholly owned subsidiary of ICI Mutual, with support from a consortium of other insurance companies acting as reinsurers. The insurance will be available immediately. A meeting will be held on November 17, 1998 at 2:00 p.m. in the David Silver Conference Room at the Investment Company Institute to discuss and answer questions regarding the default insurance. If you or a representative would like to attend, please fax the attached form to Arletta Mitchell at 202/326-5373 by November 10, 1998. Matthew P. Fink, President David Silver, President Investment Company Institute ICI Mutual Insurance Company Attachment MONEY MARKET FUND PORTFOLIO INSURANCE MEETING 2:00 p.m., November 17, 1998 David Silver Conference Room Investment Company Institute - 12th floor 1401 H Street, N.W., Washington, D.C. 20005 I will attend the Money Market Fund Portfolio Insurance Meeting on November 17, 1998. I will not be in attendance. _____ Name _____ Firm Please fax this form to Arletta Mitchell At 202/326-5373 by November 10, 1998.