VIEWS ON DRAFT SAMPLE CODE OF ETHICS REQUESTED BY MAY 27, 2003

[16091] May 20, 2003 TO: SEC RULES COMMITTEE No. 46-03 CLOSED-END INVESTMENT COMPANY COMMITTEE No. 34-03 RE: VIEWS ON DRAFT SAMPLE CODE OF ETHICS REQUESTED BY MAY 27, 2003 Attached to this memorandum is a draft sample code of ethics that has been prepared to assist Investment Company Institute members in developing their own codes to address the disclosure requirements of Item 2 of Form N-CSR. Item 2 implements Section 406 of the Sarbanes-Oxley Act of 2002 concerning disclosure of a code of ethics for principal executive and senior financial officers ("Covered Officers"). The sample code addresses the purposes of the code, certain conflicts of interest faced by Covered Officers, and Covered Officers' responsibilities regarding disclosure and compliance. In addition, the sample code suggests certain reporting obligations for Covered Officers and the effect of the code on other fund policies and procedures. The sample code contains important notes in boxes throughout the document and footnotes that contain drafting instructions and call attention to general points that members may wish to consider in drafting a code. The code states that the Institute expects that the codes ultimately adopted by members will vary significantly depending on factors specific to each investment company or fund complex and that by providing members with the sample code, the Institute does not advocate the adoption of any code, or if one is adopted, the adoption of one preferred code. Please provide me with any comments that you have on the attached sample code by e-mail (ddonohue@ici.org), phone (202/218-3563), or fax (202/326-5827) by May 27, 2003. Dorothy M. Donohue Associate Counsel Attachment (in .pdf format)