

MEMO# 2665

April 5, 1991

SHAREHOLDER CONFIRMATION SURVEY

April 5, 1991 TO: OPERATIONS COMMITTEE NO. 10-91 TRANSFER AGENT ADVISORY
COMMITTEE NO. 17-91 RE: SHAREHOLDER CONFIRMATION SURVEY

As previously reported to the Committees, the Confirmation Requirements Task Force, chaired by Ralph Spuehler of Keystone, is studying the feasibility of reducing the number of confirmations sent to shareholders. The possibility of eliminating all immediate confirmations was reviewed from a shareholder service perspective as well as a reduction of fund expenses. The task force concluded that a complete elimination of immediate confirmations (in favor of monthly confirmation statements) for all transactions is not desirable from a shareholder service point of view. In fact, the task force concluded that such a broad elimination might actually increase service problems and expenses as transaction problems would not be discovered on a timely basis. Thus, the objective of the task force now is to determine if mutual fund groups are in favor of a limited reduction in confirmation requirements for certain transaction types, including dividend reinvestment, automatic investment and systematic withdrawal transactions. In order to obtain data for the industry regarding this issue, we have enclosed a questionnaire requesting information relating to your fund group's shareholder confirmation procedures. In addition, the survey requests feedback regarding which transactions you would consider sending monthly or quarterly statements to shareholders (reflecting recent account activity) in lieu of immediate confirmation statements. Please return the completed questionnaire by April 26, 1991 to: Kathleen C. Joaquin Investment Company Institute 1600 M Street, NW - 6th Floor Washington, D.C. 20036 The responses will be summarized and distributed to participating Committee members as soon as possible. Thank you for your assistance in this effort. Donald E. O'Connor Vice President - Operations Enclosure

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