

MEMO# 6502

December 27, 1994

INSTITUTE LETTER TO EXCHANGES CONCERNING SUPPRESSION OF DRIP MATERIALS

December 27, 1994 TO: CLOSED-END FUND COMMITTEE No. 37-94 RE: INSTITUTE LETTER
TO EXCHANGES CONCERNING SUPPRESSION OF DRIP MATERIALS

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November 1st Closed-End Fund Committee meeting, we discussed a problem that some funds were experiencing in connection with the delivery of their semi-annual and annual reports to beneficial owners of shares held in street name. Specifically, members stated that some brokers holding shares in street name have instructed the mailing houses not to send the beneficial shareholders communications that include information about a fund's dividend reinvestment plan. Consequently, funds' semi-annual and annual reports are not being delivered to those shareholders. In fact, one fund group reported that it had received back from a mailing house 13,000 undelivered annual reports. The Institute sent the attached letter to the New York Stock Exchange and the American Stock Exchange to alert them to this problem and request that they take appropriate action to resolve it. Amy B.R. Lancellotta Associate Counsel Attachment

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