

**MEMO# 10761**

February 26, 1999

## **GIFTS OF MUTUAL FUND SHARES PROCEDURES & FORMS AVAILABLE ON ICI MEMBER WEBSITE**

[10761] February 26, 1999 TO: BANK AND TRUST ADVISORY COMMITTEE No. 5-99  
BROKER/DEALER ADVISORY COMMITTEE No. 5-99 OPERATIONS MEMBERS No. 9-99  
TRANSFER AGENT ADVISORY COMMITTEE No. 17-99 RE: GIFTS OF MUTUAL FUND SHARES  
PROCEDURES & FORMS AVAILABLE ON ICI MEMBER WEBSITE

In April of 1996, the Institute's Transfer Agent Advisory Committee developed an improved process for donors transferring mutual fund shares to charitable organizations (see attached "Gift of Mutual Fund Shares" memo dated April 10, 1996). The Institute has urged all of its members to implement these improved procedures over the last few years, but continues to receive periodic calls and letters from donors experiencing delays or problems in effecting transfers. We have attached a recent letter received from a donor (see attached "David R. Johnson" letter dated January 29, 1999) along with the Institute's response (see attached reply from "Justine Phoenix, Director - Operations/Distribution & Service" dated February 9, 1999) detailing the recommended industry procedures for Gifts of Mutual Fund Shares. Once again, we urge you to review and implement the procedures set forth in the attached April 10, 1996 memo. The procedures request that donors complete a special form provided by the mutual fund group and coordinate the assembly of a standard set of donor and donee documentation into a single package to be returned to the mutual fund upon completion. When received, mutual funds adopting the new process will have the ability to establish the donee account, effect the transfer of shares, and process the subsequent redemption from the donee account all on the same day - resulting in a more expeditious provision of redemption proceeds to donees. In addition, for your convenience, the April 10, 1996 "Gift of Mutual Fund Shares" procedures memo and the generic donor/recipient forms have been posted on the Investment Company Institute's Member Website ([members.ici.org](http://members.ici.org)) under "Operations/Gift Transfer of Shares." If you have any questions regarding the attached documents or procedures, please feel free to contact Justine Phoenix at 202/326-5850 or me at 202/326-5930. Kathleen C. Joaquin Director - Transfer Agency & International Operations Attachments