

**MEMO# 4595**

March 15, 1993

## **NOTICE OF MEETING OF DERIVATIVE INSTRUMENTS SUBCOMMITTEE - APRIL 7, 1993**

March 15, 1993 TO: SEC RULES COMMITTEE NO. 23-93 DERIVATIVE INSTRUMENTS  
SUBCOMMITTEE RE: NOTICE OF MEETING OF DERIVATIVE INSTRUMENTS SUBCOMMITTEE -  
APRIL 7, 1993 \_\_\_\_\_ At the January 11  
meeting of the SEC Rules Committee, we brought to the Committee's attention recent press  
articles announcing an upcoming meeting between the staff of the Division of Investment  
Management and representatives of the International Swaps Dealers Association to discuss  
the use of swaps by mutual funds. (A copy of one of those articles is attached.) After the  
meeting of those two groups took place, the Institute learned that the staff might be  
examining within the next year issues raised by swaps under the Investment Company Act.  
The Institute therefore decided to form a subcommittee of interested members to discuss  
these issues and develop industry positions so that we would be prepared to respond to any  
potential staff inquiries in the future. A sign-up sheet was circulated at the January Rules  
Committee meeting for this purpose. The first meeting of the subcommittee will be held on  
Wednesday, April 7th, at 2:00 p.m. in the Institute's David Silver Conference Room. There  
will be a joint luncheon with the Money Market Funds Ad Hoc Committee beginning at 1:00  
p.m. Although we anticipate that the subcommittee's discussions initially will focus on  
issues relating specifically to swaps, this group also will serve as a forum to examine issues  
raised by mutual funds' use of derivatives generally. For your convenience, a list of people  
who have already signed up to serve on the subcommittee is attached. Please call Laura  
Pawlowski (202/955-3515) at the Institute by Monday, March 29 to let her know if you will  
be attending the meeting and luncheon. Frances M. Stadler Assistant Counsel Attachments