

MEMO# 1222

June 19, 1989

REQUEST FOR COMMENTS ON PROPOSED PRINCIPLES OF INVESTMENT PERFORMANCE COMPUTATION FOR CLOSED-END FUNDS

June 19, 1989 TO: CLOSED-END FUND COMMITTEE NO. 18-89 RE: REQUEST FOR COMMENTS ON PROPOSED PRINCIPLES OF INVESTMENT PERFORMANCE COMPUTATION FOR CLOSED-END FUNDS _____ As you are aware, a number of different performance computation methodologies for closed-end funds are currently being used by not only closed-end funds but also by several services that publish closed-end fund performance data. Additionally, during the last couple of years, the SEC has developed and required the implementation of standardized performance measurement procedures for open-end investment companies in their advertisements and sales literature. As a result, the Closed-End Fund Committee believes it is appropriate to consider developing an investment performance computation methodology that might be used by closed-end funds and, particularly, various services. Members of the Closed-End Fund Committee have developed the attached draft investment performance computation method. To ensure that this methodology works for all closed-end funds, we ask you to review this methodology, apply it to your fund(s) and submit any comments you may have about the methodology to the undersigned by July 21, 1989. Robert L. Bunnan, Jr. Assistant General Counsel Attachment

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