

MEMO# 1719

February 15, 1990

SOLICITATION OF PROXIES OF FOREIGN SHAREHOLDERS

February 15, 1990 TO: CLOSED-END FUND MEMBERS NO. 9-90 RE: SOLICITATION OF PROXIES OF FOREIGN SHAREHOLDERS

_____ At the Closed-End Fund Committee meeting on February 6, the issue was raised of insufficient shares at the time of annual meetings to have a quorum present in order to conduct business. A member informed the Committee that this was particularly troublesome with respect to foreign shareholders of record and mentioned that certain institutional holders had a practice of not voting or distributing proxies. He also indicated that the use of proxy solicitation firms was unsuccessful in resolving this problem. The Institute would like to obtain information relating to this issue and, if possible, to develop a strategy to resolve it. Accordingly, please provide us with any experiences you have had relating to stockholder quorum problems, approaches you have used to alleviate them and/or any additional information you have that might be useful. Please provide me with the information requested above by April 1, 1990. My direct number is 202/955-3523. Your input on this matter is appreciated. Amy B. Rosenblum Assistant General Counsel

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