

**MEMO# 18424**

January 18, 2005

## **IDC ISSUES TASK FORCE REPORT ON INDEPENDENT CHAIR REQUIREMENT**

[18424] January 18, 2005 TO: BOARD OF GOVERNORS No. 5-05 CEOS CHIEF COMPLIANCE OFFICER COMMITTEE No. 4-05 CLOSED-END INVESTMENT COMPANY MEMBERS No. 4-05 INVESTMENT COMPANY DIRECTORS No. 1-05 PRIMARY CONTACTS - MEMBER COMPLEX No. 4-05 SEC RULES MEMBERS No. 11-05 SMALL FUNDS MEMBERS No. 6-05 RE: IDC ISSUES TASK FORCE REPORT ON INDEPENDENT CHAIR REQUIREMENT The Independent Directors Council has issued a Task Force Report entitled "Implementing the Independent Chairperson Requirement." The Report addresses the requirement adopted by the SEC that all boards of funds relying on certain popular exemptive rules be chaired by an independent director. The Report, which was prepared by 17 independent directors, provides guidance to boards as they prepare to implement the new requirement. It outlines issues boards should consider, including those relating to the responsibilities of the independent chair and the selection and compensation of the independent chair. A copy of the Report is attached to this memorandum and may be found at [www.idc1.org](http://www.idc1.org). Marguerite C. Bateman Managing Director Attachment (in.pdf format) Note: Not all recipients receive the attachment. To obtain a copy of the attachment, please visit our members website (<http://members.ici.org>) and search for memo 18424, or call the ICI Library at (202) 326-8304 and request the attachment for memo 18424.

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