

MEMO# 4208

October 26, 1992

ICI COMMENTS ON SEC PROPOSALS TO REQUIRE MANDATORY ELECTRONIC FILING ON THE EDGAR SYSTEM

October 26, 1992 TO: EDGAR FILER GROUP SEC RULES MEMBERS NO. 51-92 SMALL FUNDS MEMBERS NO. 20-92 OPERATIONS COMMITTEE NO. 32-92 UNIT INVESTMENT TRUST COMMITTEE NO. 63-92 ACCOUNTING/TREASURERS COMMITTEE NO. 42-92 RE: ICI COMMENTS ON SEC PROPOSALS TO REQUIRE MANDATORY ELECTRONIC FILING ON THE EDGAR SYSTEM _____ The Institute submitted the attached comment letter to the SEC in response to the Commission's request for comments on its proposal to implement the operational phase of the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system. (See memorandum to EDGAR Filer Group, SEC Rules Members No. 34-92, Small Funds Members No. 15-92, Operations Committee No. 22-92, Unit Investment Trust Committee No. 42-92 and Accounting/Treasurers Committee No. 35-92, dated August 7, 1992.) In its letter, the Institute supports the EDGAR proposal generally but offers a number of suggestions intended to ease the cost and administrative burdens on filers. The most significant issue addressed in the Institute's letter relates to the proposed requirement that would limit a filer's use of incorporation by reference to exhibits that were previously filed electronically. This means that all exhibits of a filer's current registration statement would need to be "Edgarized" and filed electronically with the first post-effective amendment following a registrant's EDGAR phase-in date. The Institute's letter objects to this proposed requirement based on the undue burden that it would impose on investment company filers and urges the Commission to permit incorporation by reference to documents previously filed in paper format. Alternatively, the letter suggests that the requirement apply only to certain exhibits and that a three-year grace period be permitted for registrants to file their exhibits electronically. -2- The Institute currently intends to sponsor an EDGAR Conference several months prior to the beginning of mandatory electronic filing. If the Commission's current schedule holds, mandatory electronic filing will begin (for non-Pilot filers and non-Transitional filers) in July 1993 and the ICI Conference would likely be in April 1993. We will keep you informed of further developments. Donald J. Boteler Assistant Vice President- Operations Attachment