

**MEMO# 8052**

July 11, 1996

# FOREIGN MARKET DUE DILIGENCE SURVEY

July 11, 1996 TO: ACCOUNTING/TREASURERS COMMITTEE No. 28-96 RE: FOREIGN MARKET  
DUE DILIGENCE SURVEY

\_\_\_\_\_ Enclosed  
please find the Foreign Market Due Diligence Survey developed by the Securities  
Operations Subcommittee. The purpose of the survey is to determine what current mutual  
fund industry practices are with respect to minimizing the risks of investing in foreign  
markets with local subcustodians and brokers. The survey also seeks to determine how  
fund investment advisers deal with operational issues in both established and emerging  
foreign markets. In order for the survey to produce reliable results on industry due diligence  
practices, it is critical that we achieve a high level of participation by the organizations  
represented on the Accounting/Treasurers Committee. To that end, please have the  
appropriate person or persons in your organization complete the survey and return it no  
later than August 2, 1996 by mail or facsimile to: Diane Butler Investment Company  
Institute 1401 H Street, N.W. Washington, D.C. 20005 Phone - 202/326-5847 Fax -  
202/326-5853 So that we may follow-up on your response, please provide the name and  
phone number of the person responsible for your submission on the enclosed form as soon  
as possible. If sufficient response is received, a report will be produced based on the  
aggregate results of the survey and will be distributed to the Accounting/Treasurers  
Committee, the International Committee, the Securities Operations Committee and the  
Custodians Advisory Group. The ICI will keep individual responses strictly confidential. -2-  
Questions on the survey may be directed to Diane Butler at 202/326-5847. Thank you in  
advance for your assistance in making this important industry survey a success. David  
Moffat Diane Butler Chairman - Securities Director - Operations Operations Subcommittee &  
Fund Custody Enclosures