

**MEMO# 8560**

January 17, 1997

# **INSTITUTE COMMENT LETTER ON PROPOSED AMENDMENTS TO EDGAR RULES**

1 See Memorandum to Accounting/Treasurers Committee No. 51-96 and SEC Rules Committee No. 137-96, dated December 24, 1996. January 17, 1997 TO: ACCOUNTING/TREASURERS COMMITTEE No. 1-97 SEC RULES COMMITTEE No. 8-97 RE: INSTITUTE COMMENT LETTER ON PROPOSED AMENDMENTS TO EDGAR RULES

---

As we previously informed you, the Securities and Exchange Commission has proposed to amend several rules governing the submission of electronic filings through the EDGAR system.<sup>1</sup> Several amendments relate specifically to investment companies. One of the proposed amendments would modify the filing procedure for the performance line graph required by Item 5A of Form N-1A. Since EDGAR cannot accommodate graphic or image material, the performance line graph contained in an electronic filing must be described in either a text format, or tabular or chart format. Proposed amendments to Regulation S-T would require that the line graph comparison in an electronic filing be described in a tabular or chart format. In the attached comment letter the Institute supports each of the proposed amendments. However, the letter suggests that the effective date for the change in filing procedure for the line graph comparison be delayed three months. The delay in effective date would enable those filers who describe their line graph in text format to modify their filing procedures to accommodate the tabular or chart format. The Institutes comment letter encourages the Commission to expand the EDGAR system to permit electronic filing of confidential treatment requests and no-action requests. The letter also suggests that staff responses to no-action requests be placed on the SECs Internet Web Site. Finally, the comment letter recommends that the Commission permit the paper-format exhibits required by Item 77 of Form N-SAR, including the independent accountant's report on internal controls, to be filed electronically. Gregory M. Smith Director - Operations/ Compliance & Fund Accounting Attachment (in .pdf format)