

MEMO# 17205

March 12, 2004

ICI ELECTS NEW PRESIDENT

[17205] March 12, 2004 TO: BOARD OF GOVERNORS No. 20-04 CEOS PRIMARY CONTACTS - MEMBER COMPLEX No. 24-04 RE: ICI ELECTS NEW PRESIDENT On Wednesday, the Board of Governors elected Paul Schott Stevens to succeed Matthew P. Fink as President of the Investment Company Institute. Attached is the press release that was distributed yesterday announcing this decision. Paul will join the Institute on June 1, 2004. The process of selecting a new President was pursued with the intent of seeking input from a wide range of member constituencies. As I described in a memo to you last September, the Executive Committee appointed a Succession Committee composed of twenty-two Governors representing all segments of the industry. The Committee spent several sessions discussing the challenges and issues the Institute faced and the appropriate qualities the Institute's next leader should possess. An executive search consultant assisted the Committee with the identification and assessment of a wide range of candidates. A working group of seven Governors interviewed and evaluated several of these candidates prior to making its recommendation to the entire Succession Committee. After a full discussion, the Succession Committee recommended and the Board of Governors unanimously elected Paul Stevens. Many members of the Institute know Paul quite well. He has served mutual funds in a number of different capacities including outside counsel to mutual funds, fund directors, investment advisers and as the General Counsel of the Institute. As mentioned in the attached press release, I believe that Paul's extensive service to mutual funds and his work in various public policy roles make him uniquely suited to represent mutual funds in Washington. Please join me in welcoming Paul back to the Institute. I encourage you to contact him in the future to share your observations about the mutual fund industry and the Institute. If you have any questions about the selection, please contact me. Paul G. Haaga, Jr., Chairman Board of Governors Attachment FOR IMMEDIATE RELEASE John Collins 202/326-5864 collins@ici.org Chris Wloszczyna 202/326-5889 chris@ici.org James Doyle 202/326-8317 jdoyle@ici.org ICI ELECTS PAUL SCHOTT STEVENS PRESIDENT Washington, DC, March 11, 2004 - At a special meeting yesterday, the Investment Company Institute's Board of Governors elected Paul Schott Stevens to succeed Matthew P. Fink as President of the Institute. Mr. Stevens, currently a partner at the law firm of Dechert LLP in Washington, DC, will join the Institute on June 1, 2004. Paul G. Haaga, Jr., the Institute's Chairman, said: "Paul Stevens brings a wealth of fiduciary and public policy expertise to the Institute. His many years of experience representing mutual funds, their directors and advisers combined with his work with the Congress, the SEC, the NASD and at the White House place him in a unique position to lead the Institute in its representation of mutual funds in Washington. These experiences give Paul a deep understanding of the fiduciary obligations fund advisers have to mutual fund shareholders. The Board of Governors unanimously elected Paul to be the ICI's next President." Mr. Haaga also noted that, "From 1993 to 1997, Paul was the General Counsel of the ICI. During that time he led a number of important initiatives on behalf of mutual funds including development of best practices governing

personal investing by portfolio managers, establishment of special educational initiatives for fund directors, and adoption of significant disclosure reforms by the SEC. Paul also authored the Institute's 1994 recommendation to the SEC that mutual fund advisers be required to have compliance programs and officers." Mr. Stevens said, "I look forward to working with all members of the Institute to advance the interests of mutual funds and their shareholders. Mutual funds face a number of significant challenges right now, but I am confident these can be addressed in a way that improves investor protections and maintains the entrepreneurial spirit that has allowed mutual funds to offer a wide range of highly competitive investment vehicles that help 92 million investors meet their financial goals." Mr. Stevens currently is a partner at Dechert LLP specializing in financial services matters. He joined Dechert in 1999 after serving as Senior Vice President and General Counsel of Charles Schwab & Co.'s mutual fund and international enterprise. From 1993 to 1997 Paul served as General Counsel of ICI. Prior to joining ICI, Paul was a partner in the law firm of Dickstein Shapiro & Morin where he represented mutual funds. Paul served at the White House as Special Assistant to President Reagan for National Security Affairs and as Executive Secretary of the National Security Council under National Security Adviser Colin L. Powell. ICI-04-36

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