

MEMO# 11078

June 25, 1999

SURVEY OF POLICIES FOR PROCESSING AS-OF TRANSACTIONS

[11078] June 25, 1999 TO: ACCOUNTING/TREASURERS COMMITTEE No. 19-99 RE: SURVEY
OF POLICIES FOR PROCESSING AS-OF TRANSACTIONS

_____ The
Accounting Policy Subcommittee prepared the attached survey of policies for processing
"as-of" transactions in fund shares. Delays or errors in processing shareholder transaction
requests may cause a fund to honor the request at the net asset value on the date it was
originally received. These as-of transactions may result in a gain or loss to the fund due to
fluctuations in net asset value between the date the transaction request was originally
received, and the date the transaction request was processed. The attached questionnaire
is intended to survey policies for monitoring the impact of as-of transactions and standards
for fund reimbursement. Please complete the attached questionnaire and return it to the
Institute by July 30. Responses will be compiled by the Institute and released in aggregate
form (i.e., no individual firm responses will be released separately). Survey results will be
distributed to participating firms. If you have any questions please contact the undersigned
at 202/326-5851 or smith@ici.org. Gregory M. Smith Director - Operations/ Compliance &
Fund Accounting Attachment

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