

**MEMO# 6053**

July 14, 1994

## **INSTITUTE COMMENT LETTER ON THE OPERATIONAL EDGAR SYSTEM**

July 14, 1994 TO: ACCOUNTING/TREASURERS COMMITTEE NO. 37-94 SEC RULES  
COMMITTEE NO. 77-94 RE: INSTITUTE COMMENT LETTER ON THE OPERATIONAL EDGAR  
SYSTEM \_\_\_\_\_ The Institute's comment  
letter on the operational EDGAR system is attached. The Securities and Exchange  
Commission requested comment on the operational EDGAR system in order to evaluate  
EDGAR's readiness to accept electronic filings for all SEC registered companies, including  
investment companies. Currently, fifteen investment company complexes and fourteen unit  
investment trust sponsors file all federal securities registration materials electronically on  
the EDGAR system. These filers are part of a "significant test group" which Congress has  
stated must file successfully for at least six months before the Commission can adopt final  
mandatory filing rules. The significant test group, which also includes industrial companies  
filing with the SEC's Division of Corporation Finance, is approaching the conclusion of the  
six month test period. The Institute's comment letter expresses support for the  
Commission's EDGAR program and urges the SEC to proceed with rulemaking that would  
mandate electronic filing for all SEC registered companies, including investment  
companies. Further, the Institute's comment letter addresses several technical problems  
member firms have encountered when making filings on the EDGAR system. These  
problems relate to: a) slow file transmission speeds, b) the inability of EDGAR to accept  
graphics, c) the need for increased electronic filer support staff at the Commission, and d)  
EDGARLink, the SEC's file transmission software. If final mandatory filing rules are adopted  
as planned, all remaining investment companies will be phased-in to EDGAR between  
August 1994 and November 1995. We will keep you informed of developments. Gregory M.  
Smith Director - Operations/ Compliance & Fund Accounting Attachment