

**MEMO# 13329**

April 2, 2001

# **ICI COMMENT LETTER ON SEC PROPOSAL TO REQUIRE DISCLOSURE OF EQUITY COMPENSATION PLANS IN PROXY STATEMENTS AND FORM 10-K REPORTS**

[13329] April 2, 2001 TO: INVESTMENT ADVISERS COMMITTEE No. 8-01 SEC RULES COMMITTEE No. 31-01 RE: ICI COMMENT LETTER ON SEC PROPOSAL TO REQUIRE DISCLOSURE OF EQUITY COMPENSATION PLANS IN PROXY STATEMENTS AND FORM 10-K REPORTS The Institute has filed a comment letter with the Securities and Exchange Commission regarding its proposal to amend various disclosure requirements under the Securities Exchange Act of 1934 to require a registrant to disclose in its proxy statement or annual report filed on Form 10-K certain material features about each of its equity compensation plans, regardless of whether such plans are subject to shareholder approval. The letter expresses strong support for the Commission's proposal and notes that requiring registrants to disclose equity compensation plan information would facilitate greater understanding of the forms and amounts of equity compensation paid to corporate management and employees. This, in turn, would make it easier for investors to make informed voting and investment decisions. The Institute's comment letter is attached. Barry E. Simmons Associate Counsel Attachment Attachment (in .pdf format)

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