

NEWS RELEASE

July 13, 2004

ICI Comments on SEC Proposed Rules Concerning Asset-Backed Securities, July 2004

ICI Supports SEC Proposed Rules on Asset-Backed Securities

Proposed Rules Will Provide Investors With Necessary Disclosures and Information

Washington, DC, July 13, 2004 - The Investment Company Institute has filed a [comment letter](#) with the Securities and Exchange Commission strongly supporting its proposed rules governing asset-backed securities ("ABS"). Because mutual funds are significant purchasers of ABS and devote substantial time and resources to analyzing offerings of these securities, the ICI has significant interest in the registration, disclosure, and reporting requirements for ABS and in ensuring that these requirements provide timely information to investors while continuing to further innovations in the ABS market.

The ICI noted that "while the informal regulatory framework governing ABS generally has worked well," the recent growth in the ABS market, "underscores the need for a disclosure, registration, and reporting framework that is more specifically tailored to ABS," said ICI Senior Counsel Amy Lancellotta.

Most significantly, the Institute has "long believed that more rigorous disclosure standards are needed for offerings of ABS in order to ensure that investors are able to make informed investment decisions at the time of initial purchases and on an ongoing basis."