

NEWS RELEASE

July 30, 2004

ICI Comments on Proposed Amendments to MSRB Rules G-20 and G-8, July 2004

ICI Comments on Proposed Amendments to MSRB Rules G-20 and G-8

Amendments would strengthen regulation of non-cash compensation

Washington, DC, July 30, 2004 - The Investment Company Institute has filed a [comment letter](#) with the Municipal Securities Rulemaking Board in response to [MSRB Notice 2004-17](#), which seeks comment on proposed amendments to MSRB Rules G-20 and G-8 relating to gifts, gratuities, and non-cash compensation.

The MSRB's proposed amendments to Rules G-20 and G-8 were designed to strengthen its rule against improper use of gifts and other non-cash compensation in order "to reduce the incidence of conflicts-of-interest and to eliminate incentives for recommending or otherwise entering into transactions for reasons unrelated to their merits." ICI, which supports the proposed amendments with limited technical suggestions, praised the MSRB in the July 22 comment letter for drafting its rules to be commensurate with the requirements imposed on members of the NASD.