

## LETTERS TO THE EDITOR & RESPONSES

April 22, 2004

# Letter to USA Today Explains That Fund Industry Supports Aggressive SEC Reform Plan

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USA Today  
Letter to the Editor  
7950 Jones Branch Drive  
McLean, VA 22108

VIA E-MAIL: [editor@usatoday.com](mailto:editor@usatoday.com)

Editor:

The “Our Turn / Your Turn” debate on mutual funds on April 21 presented polar views on mutual fund reform. Contrary to both extremes, mutual fund reform is being implemented and is entirely relevant to the nation’s 91 million mutual fund shareholders.

The SEC has launched an unprecedented series of regulatory reforms to restore investors’ trust in mutual funds. At the same time, the House and Senate have held extensive oversight hearings on mutual fund reforms and proposals. At the Senate Banking Committee’s most recent hearing, the Chair and Ranking Member impressed upon SEC Chairman Donaldson the Committee’s continuing strong interest in fund reform, as well as the Committee’s strong support for the SEC’s well-regarded aggressive reform agenda. It is clear that if the SEC does not act aggressively, the Congress will. In addition, the SEC and other regulatory agencies have launched aggressive investigations into companies that may have violated the law. Executives have been fired; firms have been fined. The investigations continue. The Investment Company Institute believes all of these are necessary steps and beneficial measures for investors.

Both the editorial and the counterpoint view missed the fact that mutual funds are the most efficient way for Americans to invest – and as more people have invested, costs have declined. Comparing mutual fund costs is easy – your own chart showed the fees – and every mutual fund clearly reports its fees in a uniform table in its prospectus.

USA Today should understand as well as anyone that devising and implementing effective ways to prevent future abuses while also reinforcing confidence is a formidable challenge. Sound reforms and prudent oversight are needed – it is hard work, but doing nothing is not

an option.

Sincerely,

Matthew P. Fink  
President

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