

ICI Voices Strong Support for SEC Action to Enhance Mutual Fund Disclosure, April 2004

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Swift Adoption of A Proposal Focusing on Market Timing and Selective Disclosure of Portfolio Holdings

Washington, April 13, 2004 – The Investment Company Institute today voiced its strong support for the SEC’s swift action on a [proposal](#) to enhance disclosures by mutual fund companies in the areas of market timing, selective disclosure of portfolio holdings, and fair value pricing. The SEC’s action will provide investors with additional information on an individual fund’s policies and procedures to protect the interests of long-term investors.

“Today’s action further advances the protections and tools for mutual fund shareholders; the SEC’s swift action on this proposal demonstrates their resolve to develop a necessary regulatory response to abusive trading practices involving mutual funds,” said Matthew P. Fink, President of the ICI.

In a [comment letter](#) to the SEC earlier this year, the ICI stated, “that enhanced disclosure in these areas is an important part of the necessary regulatory response to abusive trading practices involving mutual funds.”

Specifically, the ICI noted that enhanced fund disclosures would (1) allow mutual fund shareholders to gain a better understanding of how the fund will protect their interests; (2) facilitate the fund’s compliance with its stated policies in these areas; and (3) could deter harmful market timing.