



Securities Industry Association

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February 6, 2004

Jonathan G. Katz
Secretary
Securities & Exchange Commission
450 fifth Street, N.W.
Washington D.C. 20549-0609

Re: Proposed Mutual Funds Disclosures Regarding Market Timing
and Selective Disclosure of Portfolio Holdings (File No. S7-26-03)

Dear Mr. Katz:

The Investment Company Committee of the Securities Industry Association (“SIA”)¹ appreciates the opportunity to express its support for the Securities and Exchange Commission’s (“Commission’s”) initiatives to enhance prospectus and/or statement of additional information disclosure of fund policies with regard to fund market timing and selective portfolio disclosure policies.

While there may be varying views regarding the specific content and location of such disclosures, it seems beyond dispute that the “sunlight” that will be cast on these

¹ The Securities Industry Association, established in 1972 through the merger of the Association of Stock Exchange Firms and the Investment Banker's Association, brings together the shared interests of nearly 600 securities firms to accomplish common goals. SIA member-firms (including investment banks, broker-dealers, and mutual fund companies) are active in all U.S. and foreign markets and in all phases of corporate and public finance. According to the Bureau of Labor Statistics, the U.S. securities industry employs more than 800,000 individuals. Industry personnel manage the accounts of nearly 93-million investors directly and indirectly through corporate, thrift, and pension plans. In 2003, the industry is projected to generate \$142 billion in domestic revenue and \$283 billion in global revenues. (More information about SIA is available on its home page: www.sia.com.)

policies through enhanced disclosure will have a positive impact on preventing a recurrence of problematic activity.

We also appreciate the expeditious manner in which the Commission has addressed these important matters and believe it has contributed to the restoration of public trust and confidence in a core investment vehicle for 95 million Americans.

Sincerely,

Stuart R. Strachan
Chair
Investment Company Committee

cc: Paul F. Roye, Esq.
Cynthia M. Fornelli, Esq.
Robert E. Plaze, Esq.