

ICI Urges Specific Changes to Combat Trading Abuses, November 2003

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Measures Cover Late Trading, Abusive Market Timing, Ethics Codes, Other Matters

Washington, DC, November 3, 2003 -The Investment Company Institute today identified to Congress a series of reform initiatives to combat trading abuses that have come to light at some mutual fund companies.

ICI President Matthew P. Fink identified the measures in [testimony](#) before the Senate Governmental Affairs Subcommittee on Financial Management. He called for: (1) a firm 4 pm deadline for all mutual trades to be reported to mutual fund companies, (2) an industry-wide minimum 2 percent redemption fee on the sale of virtually all mutual funds (other than money market funds) for a minimum of five days following purchases, (3) inclusion in ICI member companies' codes of ethics oversight of all short-term purchases and sales by senior fund personnel in mutual funds offered or sponsored by the company.

Among the other initiatives Fink identified were measures to address selective disclosure of mutual fund portfolio holdings and requiring funds to have compliance programs.

The Institute devotes a section of this site to the latest news on the investigations of mutual fund practices.