

Institute Applauds SEC OK for Retirement Asset Transfer System, December 1996

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Washington, DC, December 24, 1996 - The Securities and Exchange Commission's recent [approval of a mutual fund retirement asset transfer system](#) is expected to greatly enhance the fund industry's ability to process those transfers efficiently, according to the Investment Company Institute. "The SEC's decision will allow the expeditious and efficient transfer of IRA-based retirement assets, an important benefit for mutual fund shareholders wishing to move part or all of an IRA investment to a different fund," noted Donald J. Boteler, Vice President of Operations and Training at the ICI.

In late November, the SEC granted approval for the National Securities Clearing Corporation's proposed system for paperless transfer of mutual fund assets within an IRA account. These transfers will take place through the NSCC's Fund/Serv service. Fund/Serv is an electronic clearing and settlement system operated by the NSCC. A pilot group of thirteen mutual fund complexes has been testing the Retirement Asset Transfer Service. The participants expect to begin using this facility of Fund/SERV late in 1996 or early in 1997.

The Investment Company Institute is the national association of the American investment company industry. Its membership includes 6,126 open-end investment companies ("mutual funds"). Its mutual fund members have assets of about \$3.339 trillion, accounting for approximately 95 percent of total industry assets. Retirement assets account for 36 percent of total mutual fund assets.